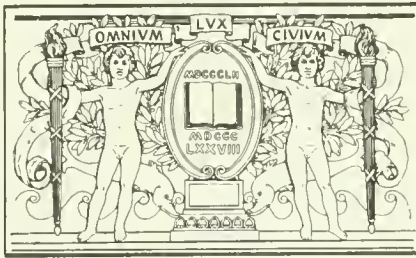


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THE DEPARTMENT OF STATE BULLETIN

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THE DEPARTMENT OF STATE BULLETIN

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The Department of State BULLETIN, a weekly publication issued by the Office of Media Services, Bureau of Public Affairs, provides the public and interested agencies of the government with information on developments in the field of U.S. foreign relations and on the work of the Department and the Foreign Service.

The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements, addresses, and news conferences of the President and the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and on treaties of general international interest.

Publications of the Department of State, United Nations documents, and legislative material in the field of international relations are also listed.

North Atlantic Council Ministerial Meeting Held at Brussels

The North Atlantic Council held its regular ministerial meeting at Brussels December 7-8. Following are texts of a message from President Nixon read before the Council on December 7 by Secretary Rogers and the final communique issued at the close of the meeting on December 8.

MESSAGE FROM PRESIDENT NIXON

Press release 307 dated December 13

As we approach 1973 we stand on the threshold of negotiations that could bring us closer to the lasting peace that is the goal of the North Atlantic Alliance:

- explorations have begun for a Conference on Security and Cooperation in Europe;

- explorations will begin soon regarding Mutual and Balanced Force Reductions;

- bilateral talks between individual Allies and members of the Warsaw Pact on issues of security and peace continue.

These prospects for peace, however, must rest on a foundation of continued military preparedness. Competing demands vie for the limited budgetary resources available to each Ally. Our peoples are increasingly sensitive to the just domestic needs of democratic and modern society, at the very time when the costs of modern and improved defense forces are increasing.

It will test the strength and vitality of this Alliance to maintain and improve our common defenses in these times. But this task must be accomplished.

For our part, the United States renews its pledge that given a similar approach by our Allies, we will maintain and improve our forces in Europe and will not reduce them

unless there is reciprocal action from our adversaries.

We look to you—all of you—to continue the remarkable effort you have made in assuming a greater share of the burdens of common defense.

In our own way, each Ally must insure that its people understand the fundamental reasons that link a militarily strong NATO to successful negotiations. For without the understanding and the support of our peoples, this Alliance cannot survive. With this in mind, I am confident that the statesmen and the free peoples of the North Atlantic Alliance will continue to support an undiminished defense effort by each member.

RICHARD NIXON

FINAL COMMUNIQUE

The North Atlantic Council met in Ministerial Session in Brussels on 7th and 8th December, 1972. Foreign and Defence Ministers were present.

2. In reviewing events since their May meeting, Ministers noted with satisfaction the new progress in East-West relations. They observed that this progress flowed in large measure from initiatives taken by Allied Governments. They took the view that further significant improvements could be achieved during the coming year and indicated their readiness to press on with their efforts. They declared their resolve to bring about closer and more harmonious relationships, collectively and individually, among all peoples. They attached particular importance to freer movement of people, ideas and information.

3. Ministers were convinced that the objectives so far reached would not have been realized without the strength and cohesion of the Alliance. They expressed their determination, particularly in view of the continued strengthening of the Warsaw Pact military forces, to maintain the defensive capability of the Alliance. A healthy and strong Alliance is an indispensable condition for promoting stability

and for achieving the aim of a just and lasting peace in Europe.

4. Ministers discussed the important developments concerning Germany which have taken place since their May meeting. They welcomed the initialling of the treaty on the basis of relations between the Federal Republic of Germany and the German Democratic Republic on 8th November, 1972 and the statement of the Minister of Foreign Affairs of the Federal Republic of Germany that it is envisaged that this Treaty will be signed on 21st December, 1972 and thereafter will be submitted to the legislative bodies of the Federal Republic of Germany for approval. They took note of the statement of the Federal Foreign Minister that after the ratification of this treaty and after the domestic pre-conditions have been fulfilled the two German states will submit their applications for membership of the United Nations to be considered simultaneously by the competent organs of the world organization. Ministers took note of the declaration of the Four Powers of 9th November, 1972.¹ In this declaration the Four Powers recorded their agreement that they will support the applications for membership in the United Nations when submitted by the Federal Republic of Germany and the German Democratic Republic, and affirm in this connection that this membership shall in no way affect the rights and responsibilities of the Four Powers and the corresponding, related quadripartite agreements, decisions, and practices. As regards the relations between France, the United Kingdom, the United States and the Federal Republic of Germany, Ministers noted that this declaration does not affect in any way the Convention on relations between the Three Powers and the Federal Republic of Germany and related Conventions and documents of 26th May, 1952 in the version of 23rd October, 1954.

5. On the basis of these developments, individual member governments might wish to enter into negotiations with the German Democratic Republic with a view to establishing bilateral relations. In this connection Ministers reaffirmed the solidarity of the Alliance partners in questions concerning Germany, maintained since entry of the Federal Republic of Germany into the Alliance. The member states of the Atlantic Alliance expressed their continuing support for the policy of the Federal Republic of Germany to work towards a state of peace in Europe in which the German people regains its unity through free self-determination. Accordingly, they will continue to take fully into account the special situation in Germany, which is characterized by the fact that the German people today lives in two states, that a freely agreed contractual peace settlement for Germany is still outstanding and that

until such a settlement is achieved, the above-mentioned rights and responsibilities of the Four Powers relating to Berlin and Germany as a whole will continue.

6. Ministers affirmed that their Governments would work constructively to establish necessary agreements in the multilateral preparatory talks, which have just started in Helsinki. They recalled that the aim of their Governments at these talks would be to ensure that their proposals were fully considered at a Conference and to establish that enough common ground existed among the participants to warrant reasonable expectations that a Conference would produce satisfactory results. They considered that there should be agreement at these talks on the arrangements and guidelines necessary to enable such a Conference to produce constructive and specific results. They noted that such results could be achieved only through the process of detailed and serious negotiation, without artificial time limits.

7. Ministers confirmed that it is the goal of their Governments to increase the security of all Europe through negotiations concerning such questions as principles guiding relations between the participants and through appropriate measures, including military ones, aimed at strengthening confidence and increasing stability so as to contribute to the process of reducing the dangers of military confrontation; to improve co-operation in all fields; to bring about closer, more open and freer relationships between all people in Europe; to stimulate a wider flow of information and of ideas.

8. The Ministers representing countries which participate in NATO's integrated defence programme noted with approval that the Governments of Belgium, Canada, the Federal Republic of Germany, Luxembourg, the Netherlands, United Kingdom, United States, Denmark, Greece, Italy, Norway and Turkey have proposed that the Governments of Czechoslovakia, the German Democratic Republic, Hungary, Poland and the Soviet Union join them in exploratory talks beginning on 31st January, 1973 on the question of Mutual and Balanced Force Reductions in Central Europe. These Ministers recalled that this proposal accorded with past Allied initiatives and noted some indication of Eastern readiness to begin such talks at the time proposed. Ministers hoped that these talks would make it possible to commence negotiations on this subject in the Autumn of 1973. They noted that such a programme implied that talks on both Mutual and Balanced Force Reductions and on a Conference on Security and Co-operation in Europe would be going on in the same general period of time.

9. While considering it inappropriate to establish formal and specific links, these Ministers reaffirmed their view that progress in each set of the different negotiations would have a favourable effect on the

¹ For text, see BULLETIN of Nov. 27, 1972, p. 623.

others. None of them should be isolated from the general nature of the relations prevailing between the states concerned.

10. These Ministers took note of a report on guidelines for the conduct of the exploratory talks on Mutual and Balanced Force Reductions by the Allied countries involved, as well as of the work carried out in preparation for eventual negotiations. The Council in Permanent Session will continue consultations on all questions of objectives, policy and strategy pursued by Allied countries in these talks.

11. Recalling the Declaration of the Council in Rome in May 1970,² these Ministers confirmed their position that Mutual and Balanced Force Reductions in Central Europe should not operate to the military disadvantage of any side and should enhance stability and security in Europe as a whole. Their position is based on the conviction that the security of the Alliance is indivisible and that reductions in Central Europe should not diminish security in other areas.

12. Ministers expressed the hope that the SALT TWO negotiations between the United States and the Union of Soviet Socialist Republics would achieve success. They considered that there should be renewed efforts in all fields of disarmament and arms control.

13. Ministers agreed that on all these questions the close and regular consultations which they have held so far and which have proved their value would continue.

14. Ministers took note of a new report on the situation in the Mediterranean prepared on their instructions by the Council in Permanent Session. Continuing instability in this region, which could endanger the security of the member countries, remains a cause for concern. Ministers instructed the Council in Permanent Session to continue keeping a close watch on developments and to report to them at their next meeting.

15. Ministers noted the progress achieved by the CCMS [Committee on the Challenges of Modern Society] especially in such areas as combatting oil pollution of the seas, disaster assistance, safety of motor vehicles, health care, waste water treatment, urban transportation, and also the recent signing of a memorandum of understanding by six member nations on low-pollution automobile engine development.

16. Ministers took note of the Report by the Conference of National Armaments Directors and of the views expressed on this paper by the Defence Ministers. Like the Defence Ministers, they welcomed the efforts being made to reduce duplication and waste of resources in the development and production of armaments. They instructed the Council

in Permanent Session to make the necessary arrangements regarding the action to be taken on it and invited Armaments Directors to make suggestions for more effective co-operation.

17. Ministers of the countries participating in NATO's integrated defence programme met as the Defence Planning Committee and reviewed the military situation in the NATO area. They noted with concern that despite the political developments described above, the Soviet Union and her Allies seem determined to maintain and indeed increase their military capability which in both scale and nature appears to be greatly in excess of that required for purely defensive purposes; and that they continue to devote immense resources to the improvement and modernization of their land, air and naval forces confronting NATO. These Ministers stressed that NATO's requirements for defence are related directly to the reality of the military capabilities possessed by the Warsaw Pact.

18. These Ministers again gave attention to the growing Soviet maritime capability and in particular to the increase of Soviet naval activities in the Atlantic and Mediterranean which has taken place in recent years. They also considered the political and military implications of these activities and the measures being taken to counter them.

19. These Ministers emphasized the close relationship between the collective defence policy of NATO on the one hand and actual or potential developments in the international field on the other. They agreed that any unilateral reduction of effort on the part of the Alliance would reduce the credibility of realistic deterrence and erode the stable balance of forces without which no satisfactory security arrangements can be negotiated. It was agreed that negotiations, in order to be successful, must proceed from a position of effective partnership and strength.

20. Accordingly these Ministers again endorsed the principle that the overall military capability of NATO should not be reduced except as part of a pattern of mutual force reductions balanced in scope and timing. In this context, they welcomed the reaffirmation by the United States that, given a similar approach by other countries of the Alliance, the United States would maintain and improve its forces in Europe and not reduce them unless there is reciprocal action by the other side.

21. In the light of the considerations outlined earlier, these Ministers took note of the force commitment undertaken by each member nation for the year 1973, and adopted a five-year NATO Force Plan for the years 1973-1977. In doing so they emphasized the need to enhance the quality and effectiveness of national force contributions within the context of the total force concept, particularly through the implementation of the improvements recommended in the special report on Alliance

² For text, see BULLETIN of June 22, 1970, p. 772.

Defence Problems for the 1970s. They reviewed progress reported to date, and identified those areas in which such improvements are still most urgently required. In this connection they acknowledged the need to allocate more resources for the modernization and re-equipment of NATO forces.

22. These Ministers received from the Chairman of the Eurogroup an account of the Group's continuing work in order to reinforce the collective contribution of its members to Alliance defence. They welcomed progress made, particularly towards fuller co-operation in equipment procurement.

23. These Ministers, recognizing the success of the NATO Common Infrastructure Programme in providing physical facilities fundamental to the Alliance's deterrent and defensive effectiveness, agreed to the continuation of the Infrastructure Programme during 1975-1979 as an essential element of the NATO defence effort.

24. Finally these Ministers noted with approval that the NATO Air Defence Ground Environment project (NADGE) would be virtually completed by the end of this year thus providing NATO, for the first time, with a fully integrated semi-automatic air defence system stretching from North Norway to the Eastern boundaries of Turkey.

25. The Defence Ministers comprising the Nuclear Defence Affairs Committee (Belgium, Canada, Denmark, Federal Republic of Germany, Greece, Italy, the Netherlands, Norway, Portugal, Turkey, the United Kingdom and the United States) also met to review the work of the Nuclear Planning Group during the past year and its plans for future activity.

26. The next meeting of the Defence Planning Committee at Ministerial level will take place in Brussels on 7th June, 1973.

27. The next Ministerial Session of the North Atlantic Council will be held in Copenhagen on 14th and 15th June, 1973.

Restrictions on Visits to China by U.S. Aircraft and Ships Relaxed

Following is a Department of Commerce-Department of Transportation announcement issued on November 22.

Department of Commerce press release G 72-214 dated November 22

The White House today announced the relaxation of restrictions on U.S. carriers to call on the People's Republic of China.

Under previous regulations (Transportation Order T-2) U.S. air carriers and ships were not allowed to visit Chinese ports. These prohibitions were removed by the actions announced today.¹

The modification reflects President Nixon's intention to review existing restrictions on trade and travel relative to the People's Republic of China in an effort to create broader opportunities for contacts between the Chinese and American peoples.

Visits of U.S. aircraft to the People's Republic of China will continue to require a validated license under the export control regulations administered by the Department of Commerce.

This change does not apply to North Korea or to the Communist-controlled area of Viet-Nam, where U.S. carriers continue to be prohibited from calling.

¹For text of Transportation Order T-2 (Amended), Nov. 22, 1972, see 37 *Fed. Reg.* 25041.

Secretary Rogers Holds News Conference at Brussels

Following is the transcript of a news conference held by Secretary Rogers on December 8 at Brussels after the North Atlantic Council ministerial meeting.

Press release 303 dated December 11

Secretary Rogers: I'd just like to say by way of preface that I think the meeting was a very successful one, and I was particularly pleased at the general climate of the meeting. I think that was demonstrated most for all of you ladies and gentlemen by the fact that the meeting broke up at 12:30, which is quite unusual in itself. And although you might, I suppose, have expected problems to surface which would bring into play some contention, that wasn't the case. I think it was a very successful meeting.

As you know, this is the 50th ministerial meeting of NATO, and I think that we emphasized the importance we attach to the alliance not only in terms of the past but the importance we attach to it as far as the future is concerned. President Nixon expressed in his letter the view that the alliance is a contributing factor of major importance to the success in the spirit of détente that you're all familiar with, and we think it contributed measurably to the possibility of the Conference on European Security and to the possibility of negotiations on mutual and balanced force reductions (MBFR). All in all it was a very good meeting; there was a good deal of unanimity on most subjects, and slight shades of differences were easily reconciled.

Q. Mr. Secretary, you spoke on Denmark critically because they've taken steps to cut back a bit, and you wouldn't want any cutting back at all. I am not clear in my own mind as to how seriously you regard this approach of Denmark. I just wondered how

seriously you regarded this particular type of moral defection.

Secretary Rogers: Those are your words, of course. First, as Mr. McCloskey [Robert J. McCloskey, Deputy Assistant Secretary for Press Relations] said in his briefing yesterday—I don't know whether you were here or not—I did not criticize Denmark directly at all in either of the sessions, the restricted session or the private session. I did, however, point out, as you know, the importance we attach to combined support for the alliance and that any reduction on the part of a member nation, however slight or for whatever reason—when I say “for whatever reason,” I mean “for whatever domestic reason”—is bound to have psychological effects on our Congress. And therefore it's very important that all of the member nations fully understand that we do have some people in our country, particularly in our Congress, who feel that our contributions over the years have been too large. And if it appears that the European nations are reducing, it naturally builds momentum in our country in that direction. I wasn't critical of Denmark as such, and I didn't direct my remarks to any particular nation. We think that it's important now, especially during the recent improvements in relations between the Soviet Union and the eastern European countries and the Western countries, that we maintain our strength. In other words, as one of the ministers said, it's important to have reductions occur after détente, not before.

Q. Sir, can you say whether your talks with Mr. [William J.] Porter increased your optimism that there can be a Viet-Nam settlement?

Secretary Rogers: I wouldn't want to make any descriptive comments of that kind. I

had a discussion with Ambassador Porter on two major subjects—major, as far as I am concerned. Of course the Viet-Nam matter was discussed. Ambassador Porter gave me a briefing on developments of the last day or so, a full briefing. But I also talked to him about his new assignment. As you know, President Nixon nominated him to be Under Secretary of State for Political Affairs. We had a very full discussion of the future, and I look forward with great pleasure to this new assignment. He is a man of great capability, and I am sure that he will bring great strength to the Department of State.

Q. Obviously you have read the telegrams on his assessments in Paris. What is the special reason for his coming here to personally report to you, sir?

Secretary Rogers: The principal reason, as I say, was to discuss his new assignment, but in that process he gave me a little fuller briefing than sometimes you can do by telegram.

Q. Mr. Secretary, can you say, has there been progress in Paris in the last few days?

Secretary Rogers: No, I can't say. I want to avoid discussion about that. As you know, these matters are being handled there. I think it's better that if we have any comment, it come out of Paris.

Q. Are you going back to Washington or to Paris?

Secretary Rogers: I'm going back to Washington.

Q. But you expect to be going to Paris soon?

Secretary Rogers: I always enjoy going to Paris.

Q. Mr. Secretary, in the last few days there were some rumors on the intent of the Western Powers for installation and localization of their embassies in Eastern Germany, whether inside or outside— (Inaudible).

Secretary Rogers: Mr. McCloskey, what's the question?

Mr. McCloskey: The question (was) whether, as a result of the quadripartite dinner, it has been decided when you ultimately get to establishment of diplomatic relations where the embassies will be located.

Secretary Rogers: No, that wasn't decided. There is a reference in the communique to the establishment of relations, but it doesn't refer to this subject you mentioned. That wasn't discussed.

Q. Sir, were you able to give Mr. Sharp [Mitchell Sharp, Canadian Secretary of State for External Affairs] any assurances regarding the conditions which Canada has submitted to the negotiations for the participation of Canada in the proposed international cease-fire commission?

Secretary Rogers: I didn't give any assurances here particularly. I met with him in New York a few days ago and talked to him at some length about the whole subject. I think as far as the conditions are concerned, we can probably meet most of them. Certainly we hope so.

Q. (Inaudible.)

Secretary Rogers: The conditions are stated in sort of general terms at the moment. But I think that the position Canada has taken is perfectly reasonable, and we will try to be sure that we work out something that's satisfactory to Canada.

Q. Mr. Secretary, your administration is showing an improved interest in Europe and has announced some steps in the next year. What kind of initiatives are you planning to take?

Secretary Rogers: I think that your premise is sound. As I look to 1973, I think that Europe is going to be in the spotlight as far as our foreign policy considerations are concerned. What particular initiatives we will take I'm not sure. As a matter of fact, there are so many things underway now that I'm not sure that any new initiatives are required. I think what is going to be required is a thoughtful implementation of the initiatives that have already been taken. For ex-

ample, at a time when the Community is being enlarged and at a time when the Community itself has some problems to grapple with, we want to make certain that the alliance remains strong. However, we'll have some problems with the Community that are quite apparent. In a sense we'll be competing in commerce. So at a time when the Community itself has problems to grapple with, a time when we're going to have some problems to work out with the Community, a time when we are facing trade negotiations which will start in September, it is very important that all of us approach these discussions in a very orderly, statesmanlike way. Nothing should interfere with the strength of the alliance, and we don't want to do anything that will interfere with the integration of Europe. But you can tell, because of the nature of the problems, that they are going to be difficult and it's going to require real statesmanship to solve them. We had a very good discussion of these matters within the alliance.

Q. With respect to the meaning, Mr. Secretary, of that close cooperation with the enlarged Common Market, would you like it institutionalized?

Secretary Rogers: I had a discussion of this with the Commission and some of the ministers. We're not inflexible about the structure, and we recognize that the Community itself is in the process of making some decisions on its own structures. What we do want to do is to clearly understand that we will have problems and that they will require a great deal of discussion. Each of us has to understand the other's point of view and the other's problems, and we have to make appropriate accommodations.

Q. Mr. Secretary, could you sketch a little bit the nature of these problems as you see them? What are the really important, critical questions between the United States and Europe that have to be resolved in this atmosphere of understanding which you spoke of?

Secretary Rogers: Well, I don't want to be too specific, because being too specific will

single out problems sometimes in an overdramatic way. But with that caveat, some of the problems are going to involve agriculture, and the problems are quite obvious. The Community has its farmers to consider; it's got its policies. And we've got to consider our farmers and how the decisions the Community makes in the agricultural field affect us and our farmers. We want to do it in a way that's not harmful to either the Community or the United States. Another illustration—and I don't want to suggest that these are inclusive; I just want to suggest them by way of illustration—is the question of reverse preferences. To us, when the Community gives reverse preferences, for whatever reason—(and) in many instances the reasons are quite valid, certainly as far as the Community is concerned—it creates the impression that they are discriminatory. They discriminate against the United States, and any such impression would be very harmful. If the impression is created that we are talking about free trade and the importance of liberalization, but at the same time we're moving in the direction of discrimination, it's harmful. So we hope that we can prevent those things from happening; we hope that in the trade negotiation that we can move in the direction of liberalization. We recognize that there are very complex problems, not only tariffs but nontariff barriers. Now, those are a couple of examples.

Q. (Mostly inaudible question about linkage between CSCE [Conference on Security and Cooperation in Europe] and MBFR.)

Secretary Rogers: It depends on how the declaration is phrased or what is meant exactly by the declaration. There has been a lot of discussion about linkage, and the view of the United States is that there is a relationship, obviously, between the different matters under consideration and it's not necessary to formally label them "linkage." For example, if the Conference on Security and Cooperation is a very successful conference, it would create conditions that are conducive to more successful negotiations on mutual

and balanced force reductions. Likewise, successful negotiations on mutual and balanced force reductions would contribute to reduction of tensions and make it more likely that the conference itself would be successful. So an interrelationship is inevitable. Whether it's labeled linkage or not, it seems to me, is quite irrelevant. What is important is to have the two matters under consideration in the same general framework. And as you know, what we are now proposing is a conference which would probably occur sometime in the summer of 1973 on security and cooperation, following the talks in Helsinki. We're talking about preparatory talks on mutual and balanced force reductions sometime in January next year with the prospect of negotiations being conducted in the fall of next year. So all of that is in the same general time framework. And, as I say, there is an inevitable interrelationship between the two. As far as the United States is concerned, we don't insist on calling it "linkage"; but as long as the discussions take place in the same general time frame, we don't think of an agenda as excluding discussions. In other words, we don't want to be too structured. We think that the Soviet Union and other eastern European countries have an interest in the conference. We certainly have an interest in the conference. We think there is a willingness on the part of the Soviet Union and others to engage in mutual and balanced force reductions, and we're willing to engage in those discussions. We think the timing is good for both. This is sort of a long answer to your question, and I apologize.

Q. As far as the talks in Geneva are concerned, some of the allied countries would have more deep exploration of principles and what should be discussed in the negotiations, to know already some more things on the substance of the troop reductions. One gets the feeling that your proposals for the agenda are more restricted to procedural questions.

Secretary Rogers: I don't think that's right. We were perfectly prepared to have

an agenda worked out. What we don't want to do is have a lot of contention about procedures and agenda, because if they're going to be successful, it depends really on the intentions of both sides, and we don't want to have hangups on procedural matters. We favor agenda items for MBFR. Is that what you're asking?

Q. Do you think that the principles of troop reductions should be discussed in the preparatory talks in Geneva? Or should this be a matter to be discussed in the negotiations session?

Secretary Rogers: But I have trouble with "principles"; the word is confusing. If you mean should we agree in the preparatory talks leading up to MBFR that what we're talking about is that neither side should approach the talks with the idea of taking advantage of the other (and that) it is understood that any reductions will be to the disadvantage of neither side, that's fine. That's a good principle; we'd like to have that. But you know it doesn't mean too much; I mean, we're both going to say that. So really, it's what you mean by "principles." I think these are principles. We had successful SALT talks [Strategic Arms Limitation Talks], and we had them because we had frank discussions with the Soviet Union in advance about the talks. We decided that they were serious about it and we were serious about it, and we engaged in the talks. We had practical discussions, and they succeeded. We didn't have a long argument about principles to begin with. We didn't have a long agenda or anything. We just went ahead and had the talks. But I'm not opposed to an agenda, and I'm not opposed to principles. I'm just opposed to letting the agenda and the principles stand in the way of negotiations.

Q. If the preparatory talks on the security conference are successful and do result in moving ahead to a full conference, does the United States think that this conference should be held in Helsinki or does it prefer another location?

Secretary Rogers: That hasn't been decided yet. That's something we'll talk about in Helsinki and that will be done in consultation with our allies.

Q. Mr. Secretary, if the preparatory talks for the MBFR negotiations are taking place in Geneva, don't you get the impression that there's a certain bilateral linkage with the SALT talks which are taking place as well in Geneva?

Secretary Rogers: I wouldn't think so; I don't think you necessarily draw that conclusion.

Q. Mr. Secretary, I think you indicated to the Council that during the end part of the ministerial you would be initiating another effort to get things going on an interim Suez settlement.

Secretary Rogers: The United States continues to believe that Security Council Resolution 242 is the basic framework on which an agreement should be worked out.¹ I think because of the complexities involved that it's unlikely that a complete and final settlement can be worked out pursuant to Security Council Resolution 242 very soon. We think it's very difficult to imagine negotiations which could be conducted which would lead to settlement of all those problems. And if nothing has happened for a while—and since 1967 nothing has happened as a practical matter—then it becomes more difficult. The situation is one of tension. We think there should be an attempt made to figure out a way to make some progress, with a full understanding that that progress would be merely interim progress, that what everyone is seeking is a final solution based on 242.

Now, President Sadat [of Egypt] suggested the interim settlement which is his proposal, and the Prime Minister of Israel indicated that she thought it was an interesting proposal which deserved consideration. What we have in mind is that negotiations should start. We recognize the difficulty in starting direct negotiations. We are going to be ac-

tive diplomatically to see if there is some way to get negotiations started of an indirect nature, at first, with the idea of making some progress. And we think that that progress should be related to Security Council Resolution 242, in its final implementation. Now, that doesn't suggest that the United States is necessarily going to take any public initiative. But we're going to do what we can to stimulate interest and discussions. As I've said on previous occasions, this is really the only area of the world where no negotiations are being conducted in areas of tension. The two Koreas are talking; we're talking about Viet-Nam; Pakistan and India are having discussions; the two Germanys are discussing matters; and we are certainly discussing matters with the Soviet Union and the People's Republic of China. So the only area where there are no real negotiations conducted is in the Middle East. We think that it's not only illogical that no discussions are being held, but we think it's highly desirable that a serious attempt be made to make some progress. We think that an interim agreement linked to final settlement pursuant to 242 is the best prospect.

Q. Have you approached either side recently?

Secretary Rogers: Well, it isn't so much recently. We're in constant contact with all concerned in one way or another.

Q. Are you looking for any, what we might call, "help" from the Soviet Union?

Secretary Rogers: I don't want to single out any nation. We're going to be, as I said, active diplomatically in every possible way to see if we can't get the negotiations started. I see some of you are looking as if you're a little anxious to leave.

Q. (Inaudible) —the idea of the Italians for a Mediterranean conference as concerns the definition of the Foreign Minister of Italy that there will be no lasting peace in the world without peace in the Mediterranean.

Secretary Rogers: I'm sorry, I don't have a reaction to that at this time.

¹ For text of Security Council Resolution 242 of Nov. 22, 1967, see BULLETIN of Dec. 18, 1967, p. 843.

Q. The Foreign Minister of Italy proposed once an Israeli-Arab settlement is achieved to initiate a Mediterranean conference concerning the security and peace in the Mediterranean. What's your position on this?

Secretary Rogers: Well, if it's in that time framework, after the settlement between Israel and the Arabs, I'm going to have a little time to think about it. [Laughter.]

Q. Is the United States prepared to submit to Mr. Mintoff's [Dominic Mintoff, Prime Minister of Malta] demands for additional payments on Malta?

Secretary Rogers: There is no more demand made on the United States.

Q. Well, the demand was made on NATO, and after all, you are contributing.

Secretary Rogers: Well, we haven't been involved in those discussions.

170th Plenary Session on Viet-Nam Held at Paris

Following are remarks made by Heyward Isham, deputy head of the U.S. delegation, at the 170th plenary session of the meetings on Viet-Nam at Paris on December 14.

Press release 308 dated December 14

Ladies and gentlemen: You will recall that our delegation's remarks last week reflected general encouragement with progress achieved toward a negotiated settlement of the Viet-Nam conflict. You will also recall that we pointed out the important tasks awaiting this forum concerning the negotiation of certain arrangements in implementation of the accord once it is signed.

The purpose of these observations was to invite you to join us in a constructive, positive approach to the proceedings here, in disavowal of the years of fruitless bickering which preceded the current period of intense negotiating activity.

It was with considerable disappointment, therefore, that our side listened to your pres-

entations last week. As you indulged in successive defamations and vilifications of our side, as you proceeded to heap verbal abuse upon our motives, our activities, and even the heads of our respective governments, it became all too evident that your charges here bore little relationship to the actual state of affairs.

You accused the United States of utilizing "pretexts" to prolong negotiations, although you are fully aware that the subjects on which the negotiations have concentrated are issues of central importance in an equitable settlement. You charged the United States with "sabotage" of a negotiated settlement, but you know full well that we have affirmed and indeed have demonstrated our intent to reach a just and lasting peace in Viet-Nam as rapidly as possible. You alleged that the United States made an "about-face" during the course of negotiations, but you know that this is not so.

I shall make two further general observations about your recent presentations in this forum:

First, I wish to point out that one fails to detect in your words here any reflection of the principles you have ardently professed, such as mutual respect, concord, and reconciliation. It would be advisable to begin to manifest these qualities here if you wish anyone to place credence in your avowed intent to be guided by them after a settlement.

Second, I suggest you spare yourselves the frustration of persistent futility. Nearly four years of delivering ultimatum after ultimatum advanced neither your purposes nor the cause of peace. It should therefore be obvious to you that this dreary tactic should be discarded. In our country the high-pressure salesman who tries to obtain immediate signature of an incomplete contract only succeeds in arousing suspicion about the transaction. Your presentations today can indicate whether you intend to use these meetings for the constructive purpose for which they were established.

You have before you an opportunity to undertake a reasonable dialogue. My colleague has presented today proposals for

various specific actions related to settlement made recently by the President of the Republic of Viet-Nam. Are you prepared to examine these proposals objectively and to engage in serious discussion of them?

Let your remarks today be an earnest of your good faith and a vindication of this forum. You will find that our side will listen to you attentively and will reply to you with the restraint and relevance we urge you to adopt.

Bill of Rights Day and Human Rights Day and Week

A PROCLAMATION¹

The ink was barely dry on the Constitution of the United States of America in the autumn of 1787 when leading patriots and statesmen of the young Republic took up the cry for amendments affording written guarantees of basic human freedoms under the proposed national government. "A bill of rights is what the people are entitled to against every government on earth . . ." Thomas Jefferson wrote, "and what no just government should refuse or rest on inference."

The idea that every individual was endowed by his Creator with rights no sovereign or majority could take away was thought dangerous and radical over much of the globe in those days, but it ran deep in the American grain even then. The very first Congress proposed a Bill of Rights, and by 1791 its proposals had become the first ten amendments to our Constitution.

Since that time, exactly as James Madison predicted to Jefferson that they would do, "the political truths declared in that solemn manner (have acquired) by degrees the character of fundamental maxims of free government." They have inspired our own Nation's accelerating efforts to assure every American full equality and dignity before the law, and they have shone as a beacon for the rising aspirations of peoples around the world.

Finally in 1948, a little more than a century and a half after American freedoms were enshrined in the supreme law of this land, the Universal Declaration of Human Rights was approved by the United Nations General Assembly to assert the inalienable liberties of all men and women in every land.

Symbolic of the common principles and shared spirit which link these two great charters is the fact that the anniversaries of their adoption occur

less than one week apart each December. As we observe those anniversaries once again this year, let us gratefully take stock of the progress made in realizing the full promise of freedom for America and the world, and let us renew our commitment to continuing that progress during 1973.

NOW, THEREFORE, I, RICHARD NIXON, President of the United States of America, do hereby proclaim December 15, 1972, as Bill of Rights Day, and December 10, 1972, as Human Rights Day, and I call upon the American people to observe the week beginning December 10, 1972, as Human Rights Week. I ask every American to make this observance a time of rededication to the cherished values embodied in our Bill of Rights and in the Universal Declaration of Human Rights.

IN WITNESS WHEREOF, I have hereunto set my hand this ninth day of December, in the year of our Lord nineteen hundred seventy-two, and of the Independence of the United States of America the one hundred ninety-seventh.

Secretarial Determination Provides for Continued Assistance to Chile

Office of the Secretary

[Public Notice 373]

CHILE—DETERMINATION TO PERMIT CONTINUED ASSISTANCE

Pursuant to section 620(q) of the Foreign Assistance Act of 1961, as amended, and by virtue of the authority vested in me by section 101 of Executive Order 10973, as amended, I hereby determine that assistance to Chile under the Foreign Assistance Act of 1961, as amended, is in the national interest of the United States, notwithstanding Chile's delinquency, in excess of 6 months, in the repayment of loans made under the Act.

This determination shall be continuously reviewed and shall in no way relieve Chile of repayment obligations with respect to loans made under the Act, or of any other obligations to the United States Government or to any private party.

This determination shall be published in the *FEDERAL REGISTER*.¹

[SEAL]

WILLIAM P. ROGERS
Secretary, Department of State.

November 17, 1972.

¹ No. 4173; 37 *Fed. Reg.* 26387.

¹ 37 *Fed. Reg.* 25859.

Second Asian Population Conference Meets at Tokyo

The Second Asian Population Conference, sponsored by the Economic Commission for Asia and the Far East (ECAFE), was held at Tokyo November 1-13. Following is a U.S. delegation statement made at the conference November 2 by Philander P. Claxton, Jr., Special Assistant to the Secretary of State for Population Matters, and Marjorie A. Costa, Director of the National Center for Family Planning Services, Department of Health, Education, and Welfare, together with the text of a declaration adopted by the conference November 13.

U.S. STATEMENT

Mr. Claxton

At the outset the U.S. delegation wishes to join others in expressing our deep appreciation to our host, the Government of Japan, and to the most courteous and helpful people of Japan.

We are grateful also to Executive Secretary U Nyun, Dr. Frisen [Carl Frisen, Chief, ECAFE Population Division], and members of the ECAFE staff who have made the excellent preparations and arrangements for this conference.

As requested by the Executive Secretary, the U.S. delegation has presented a country statement briefly reporting on demographic facts and family planning policies and programs in the United States. The statement also reports on our policies and programs in the international field, in support of United Nations activities and of bilateral assistance in population/family planning matters.

Since the First Asian Population Conference, the U.S. Government has undertaken large and increasing programs of assistance to research in population matters and to

family planning services in the United States. The direction of the services program for the U.S. Government is in the National Center for Family Planning Services, a part of the Department of Health, Education, and Welfare. The head of the Center is Miss Marjorie Costa. She is responsible for administering the program, which now provides assistance for family planning services to the health departments of our 50 States and directly to many municipalities and community organizations.

With your permission, Mr. Chairman, I should like to present Miss Costa to outline the present demographic situation in the United States and our population/family planning policies and programs. I will comment later on our international policies, programs, and goals.

Miss Costa

THE U.S. DEMOGRAPHIC SITUATION, DOMESTIC POLICIES AND PROGRAMS

I would like to report first on the principal facts of the demographic situation in the United States. Further details may be found in the country statement.

There has been a rapid and remarkable downward trend in most fertility indicators during the few years since the First Asian Population Conference.

The peak of the U.S. birth rate had been 55 per 1,000 population in 1800. It had dropped steadily to 18.4 per 1,000 by 1936. With the postwar baby boom the birth rate leapt to 26.5 per 1,000 in 1947 and remained near that level until 1957. In 1958 the long downward trend was resumed. By 1963 it had dropped to 21.9 per 1,000. In the nine years just passed it has dropped to 15.5 per 1,000 for the first six months of 1972. This

is the lowest rate in U.S. history and among the dozen or so lowest in the world today.

The general fertility rate has been slanting downward in much the same way. It had reached a historic low of 75.8 per 1,000 women 15-44 years of age by 1936, turned upward in the baby boom, and has now dropped to 73.1, again the lowest in U.S. history. Most important, a 1972 survey of women 18-24 years of age disclosed an expected family size of 2.3 children. For the entire female population this expected family size comes close to the 2.1 children per woman which is the magic figure required under present mortality conditions to stabilize the natural growth rate of the U.S. population.¹

This recent rapid drop in fertility, if continued, will make a most significant difference in U.S. population growth over the next few decades. The present population stands at about 208.8 million. If the three-child family level which existed at the time of the last Asian population conference existed today and were continued, it would generate a population of about 322 million by the year 2000. At the two-child family level, which now seems possible, population would reach only about 271 million by that time.

The rapid reduction in fertility is no doubt due to several causes. Large numbers of women in the United States are in active employment. Private and public old-age pensions greatly reduce parental dependency on children. Low infant and child mortality gives greater assurance of survival. Many younger women are keenly aware of the adverse effect of population pressures on the environment and on the quality of individual life. The liberalization of abortion laws in several States has also had an effect on fertility levels.

The widespread and growing practice of family planning has been the principal means by which reductions in fertility have been achieved. A 1965 survey found that

some 84 percent of U.S. white couples and 77 percent of U.S. black couples practiced, or had practiced, contraception. Most of these couples obtained contraceptive information and services from their family physician or pharmacist. The planned parenthood movement, with its first clinic established in 1916, deserves great credit for both family planning services and education. Some State and Federal Government support to contraceptive services had begun as early as the 1930's, but this support remained very limited.

During the period 1960-65, 40 percent of births among the poor and near-poor were estimated to be unplanned, compared to only 14 percent among the economically more favored. This difference was thought to be primarily due to the lack of information or means for the poorer groups to obtain contraceptive services. As these facts became recognized, President Johnson in 1966 declared in a message to the Congress on health and education:

We have a growing concern to foster the integrity of the family, and the opportunity for each child. It is essential that all families have access to information and services that will allow freedom to choose the number and spacing of their children within the dictates of individual conscience.

To carry out this policy, the Department of Health, Education, and Welfare in 1966 increased its emphasis on family planning services as part of federally subsidized State and local health services.

By 1968 it was estimated that there were some 5 million women in the United States who because of ignorance or poverty did not have access to family planning information or services. President Nixon in July 1969 declared his policy that: "... no American woman should be denied access to family planning assistance because of her economic condition."² He proposed a national goal to supply adequate family planning services to all those who want them but

¹In the first nine months of 1972, U.S. fertility rate fell below replacement level of 2.1 children per woman.

²For President Nixon's message to the Congress of July 18, 1969, see BULLETIN of Aug. 11, 1969, p. 105.

cannot afford them. This was to be done over a five-year period to 1974.

Congress has been fully cooperative in this purpose. It adopted legislation in 1970 with the primary purpose of assisting in making "comprehensive voluntary family planning services readily available to all persons desiring such services." It authorized funds for such services and for research. The legislation also established an Office of Population Affairs in the Department of Health, Education, and Welfare as a focal point in the Federal Government to carry out its purposes.

The premise of the Federal Government and of the Congress in supporting family planning programs is simply that spacing and limitation of births strengthens the health of the mother, increases the integrity of the family, and gives larger opportunities for the children. It is intended also as one means to help break the vicious circle by which high fertility contributes to poverty and poverty contributes to high fertility.

Support of domestic family planning services is administered by HEW's National Center for Family Planning Services, devoted exclusively to supporting such services.

Federally subsidized family planning programs are broadly designed to include the delivery of services; manpower development; operational research, planning, and evaluation; and information and education. Delivery of services is by far the major activity, using over 90 percent of total family planning funds. Services are delivered by State and local health departments, hospitals, and other public or nonprofit private health agencies. In addition, family planning information, counseling, and referral may be made by public or voluntary social agencies with Federal support. All family planning programs funded by the Federal Government must offer a comprehensive range of services, including a choice of contraceptives, regular physical examinations, basic medical tests, counseling, and educational services. A Federal statute of 1967 requires States to provide

voluntary family planning services, among other health services, to all qualifying recipients of public assistance. Acceptance of family planning service must be voluntary and may not be a prerequisite or impediment to eligibility for any other service.

The total program is going well. We are halfway to the President's original goal of services to all those women who want such services but cannot afford them.

President Nixon, soon after coming into office in 1969, directed a review of U.S. population policies and programs, domestic and abroad. His conclusions following that review were stated in the 1969 message to the Congress on population. In his message, the President outlined some of the problems which even the then-existing 1 percent rate of population growth were creating and would create for the United States if continued. He asked the Congress to authorize the creation of a Commission on Population Growth and the American Future to chart the course of population growth and related demographic developments until 2000, to study the resources from the public sector that would be required to deal with such growth, and to ascertain ways in which population growth may affect the activities of Federal, State, and local governments. The Congress enacted the requested legislation and directed the Commission also to study the effects of population growth on pollution and "the various means appropriate to the ethical values and principles of this society by which our Nation can achieve a population level properly suited for its environmental, natural resources, and other needs." This precept was, of course, a clear request to recommend a population policy.

The Commission conducted widespread public hearings and assembled over 100 special research studies. It made its report in March of this year.³ The report is too

³ "Population and the American Future, The Report of the Commission on Population Growth and the American Future"; for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402 (Stock Number 5258-0002; price \$1.75).

large and detailed even to summarize adequately in this statement. However, its main conclusions were quite clear and can be simply stated:

—After careful search, it could find no substantial economic or social benefit that the United States would derive from continued population growth beyond that made unavoidable by past demographic trends.

—The time has come for the United States to welcome and plan a deliberate policy to stabilize population growth.

—The purpose of such a policy is to help attain socially desirable ends, the enrichment of life, not its restriction.

The Commission made some 47 recommendations to carry out the conclusions of the report.

The Commission emphasized that to attack the population problem successfully means that we must also address problems of "poverty, sex discrimination, minority discrimination, careless exploitation of resources, environmental deterioration and decaying cities."

The Commission report is still under consideration. The President on receiving it commented that: "The recommendations . . . will be taken into account as we formulate our national growth and population research policies . . . for the years ahead." It will take some time to give adequate consideration to the many recommendations and to determine how and to what extent they can be followed. Although its analysis and recommendations are, of course, directed internally, they may be of interest to many of you; copies of the report are available.

Mr. Claxton

POLICIES AND PROGRAMS ABROAD

The policies and programs of the United States in population/family planning matters abroad can be quickly stated. I should say at once that to a considerable degree they have profited from our study of the facts and implications of rapid population growth presented at the First Asian Popula-

tion Conference and the recommendations of the conference as well as from our own research on problems of population growth in other regions of the world.

This analysis crystallized in January 1965 when President Johnson declared the willingness of the United States "to use our knowledge to help deal with the explosion in world population and the growing scarcity in world resources."¹ The Agency for International Development immediately informed interested governments that it was prepared to provide technical, material, and financial assistance to countries wishing such help for population/family planning programs. A year later the U.S. Government established in the Office of the Secretary of State a Special Assistant for Population Matters to coordinate and expedite the development of policies and programs in this new field. At the same time a Population Division was created in AID to administer assistance. The next year the Congress enacted an amendment—title X—to the aid legislation authorizing the broadest possible scope of assistance to population/family planning programs, ranging from demographic studies to the delivery of contraceptive services. The amendment authorized such help through United Nations agencies, international bodies, private organizations, and direct bilateral aid. The Congress also set aside funds for title X purposes and has increased them yearly.

Miss Costa has mentioned the review of U.S. population policy and programs by the new administration in 1969. The President stated his belief that the United States should look to "the United Nations, its specialized agencies, and other international bodies to take the leadership in responding to world population growth. The United States," he said, "will cooperate fully with their programs." He also directed the Secretary of State and the Administrator of AID "to give population and family planning high

¹ For President Johnson's address to the Congress on the state of the Union on Jan. 4, 1965, see *BULLETIN* of Jan. 25, 1965, p. 94.

priority for attention, personnel, research, and funding among our several aid programs."

Pursuant to these policies, we have tried to encourage and support effective action in this field by every relevant United Nations agency. We have joined with many nations here to support the U.N. Fund for Population Activities (UNFPA) as the major source of financial assistance to other U.N. bodies and individual countries. We look to it for increasing leadership. We have joined with others here to see the adoption of the necessary resolutions by the Children's Fund, WHO, UNESCO, ILO, and FAO [World Health Organization; United Nations Educational, Scientific and Cultural Organization; International Labor Organization; Food and Agriculture Organization] for a full range of assistance to countries wishing their help with population programs. We have also joined with others to encourage and support expanded action by ECAFE and the Economic Commission for Africa (ECA) in population matters. We hope that the Economic Commission for Latin America (ECLA) will soon undertake comparable leadership. We are especially pleased by the new active role of the World Bank.

The United States has undertaken this program of action on population matters for the same reason which we believe motivates the many nations of the ECAFE region now carrying out population/family planning programs: We believe they are a valuable, in some instances a necessary, means to raise the dignity and improve the quality of life of the individual citizen and to create conditions which will be conducive to economic and social progress in a peaceful environment. We do not, in any case, believe efforts to reduce high birth rates should be a substitute for economic and social development or that aid to such programs should be a substitute for general aid to development. Moreover, we do not consider such efforts to be a substitute for measures to establish fair terms of trade or to transfer new tech-

nical knowledge. Internally, they should not be a substitute for land reform, sound employment policies, social security measures, or policies and programs to bring about a more equitable distribution of opportunity and income.

In short, we regard population programs, in which Asian nations are now leading the world, as an essential part of development efforts and aid to such programs as a small but indispensable element of aid generally.

ASIAN CONFERENCE AND THE WORLD POPULATION YEAR AND CONFERENCE

Just as the First Asian Population Conference provided leadership for much that has been accomplished after it, we believe this conference can provide inspiration for the World Population Year and Conference and for effective action during the rest of this Second Development Decade. With such inspiration we should redouble our own efforts and seek to encourage the leaders of other countries to join in the same endeavor.

There are a number of fundamental reasons why this is so. There are also actions that we should take appropriate to each of these reasons.

1. *Population and Economic Development.* It is now evident in all but a few developing countries that high rates of population growth are absorbing a half or more of the gains in economic development. For many countries only a fraction of the annual increase in GNP is available to improve the quality of life of their peoples. For many countries proud of their political independence, it will be impossible to reach and maintain a reasonable rate of increase in GNP per capita without economic dependence on external financing unless they are able to modernize their birth rates as they have modernized their death rates.

We suggest that it might be useful for interested governments to undertake an analysis of the specific effects which present rapid rates of population growth will have on their economic progress and their possibilities of providing schools for their chil-

dren and social services for their peoples. A program of such studies might be undertaken under the auspices of ECAFE as it has been begun in Africa under the auspices of ECA with funding provided by the UNFPA.

Such studies could be useful for the Symposium on Population and Development planned as part of the preparations for the World Population Conference.

As a matter of special but very important interest, countries which wish to do so might obtain assistance from UNESCO to project the effects of growth of the school-age population on the opportunities for education of their children over the next two or three decades. We hope that UNESCO will be able to arrange a world conference, or regional conferences, on population and education. These studies would be useful for it.

2. *Population and Health of Mothers and Children.* It is widely recognized that too many children too fast can seriously impair the health and life of mothers. In the hundreds of millions of families where food is a matter of daily concern, malnutrition and undernutrition can, and do, contribute to high infant and child mortality and to physical and even mental retardation. For these reasons family planning services are in themselves preventive health services of the highest importance.

Despite the general acceptance of these beliefs, there is far too little specific research to identify and measure the actual effects of high parity on the family. A set of national studies under the auspices of ECAFE might provide such facts.

3. *Population and Food.* In 1965 and 1966, as the United States was beginning to move into the population field, there was much concern over the food/population balance. In those years some 125 million people were added to the world's population, but due primarily to adverse weather conditions there was very little increase in food production. Since then the Green Revolution of new wheat and rice varieties has had an outstanding success in some countries, par-

ticularly in Asia. A degree of euphoria has set in. There seems to be a feeling that the food problem is a thing of the past. Last month's FAO report on food production for 1970-71 should remove any such complacency. Once again, population growth has outrun food production in the developing world. We will do well to bear in mind that Dr. Norman Borlaug, who received the Nobel Peace Prize as the father of the Green Revolution, has said quite bluntly:

By the Green Revolution we have only delayed the world food crisis for another 30 years. If the world population continues to increase at the same rate, we will destroy the species.

Perhaps, with the help of ECAFE and FAO, interested countries might make a long-range projection of the relationship of population growth to food production, including the availability of their production for export or their need to import, under assumptions of present fertility continued and of reduced fertility.

4. *Population and Employment, Unemployment, and Underemployment.* In the recent three or four years there has been a sudden realization of the urgent need to find means of employment for the greatly enlarged cohorts of young people entering the labor market. In most countries there is real concern over mounting underemployment and open unemployment. These are the first of the young people born in the 1950's who survived in larger numbers because of newly introduced health and sanitation measures. These annual new jobseekers will continue to grow in numbers, at least for the next 15 years, because they are already born. If large and effective measures to reduce birth rates are not undertaken and seriously carried forward, the problems of underemployment and unemployment experienced now will increase markedly in the late 1980's and thereafter.

The recent Asian Symposium on Labor and Population Policies sponsored jointly by ECAFE and ILO has made a valuable beginning in recognizing the importance of slowing population growth for the interests

of laboring people. The proposals of that symposium deserve early consideration for action.

5. *Population and Stability.* Little attention has been given to the effects of population factors on political institutions and peaceful change. Yet there is reason to believe that population factors—rapid population growth, the burdens of migration, the compression of more and more people into the same living space amid a variety of cultural irritations and in the presence of frustrations of reasonable desires to improve the quality of their lives—have in many cases been the critical added force which has led to internal violence and to conflicts between neighbors. It would be well for all of us to examine such instances of the past to consider whether one or another of various population factors may have made the difference between a peaceful and a violent turn of events. The purpose of such an analysis should, of course, be to guide us to take measures to avoid such tragedies in the future.

6. *Human Rights.* The Second Human Rights Conference at Tehran in 1968 recognized the right of parents to determine the number and spacing of their children as a basic human right, and to have education and information for that purpose. The Declaration on Social Progress and Development adopted by the General Assembly on December 11, 1969, added the right to have the means to exercise this basic human right. ECOSOC [United Nations Economic and Social Council] approved at its May 1972 session a resolution of the Population Commission calling upon all countries to assure that such information and means are in fact made available to all of their peoples by the end of the Second Development Decade.

Many countries present will hope to reach this goal well before the end of the decade. But for the world at large this is a worthy goal for consideration by this conference, leading toward the U.N. Symposium on Population and Human Rights, the World Population Conference, and the World

Population Plan of Action to be proposed to it. This concept of human rights is no academic matter. The ability to control their own fertility is an essential for the attainment of a just status by women in our societies. The right of children to be planned for and wanted so that they may have affection, nourishment, decent housing, and an opportunity for education should be high among their rights as humans.

7. *Development Policies and Fertility Reduction.* The resolution of the First Asian Population Conference recommended that a national population policy should be integrated with policies and programs in related economic and social spheres, such as education, health, nutrition, social welfare, social security, housing, status of women, agricultural and industrial development, and manpower utilization. Thus far, in most countries, population policies have gone little beyond the provision of family planning services. There are two great needs for the future: One is to assure that family planning services are rapidly made conveniently available to entire populations; the other is to select and direct other major sectors of the development process so that they will have a maximum effect on reducing fertility. The interregional seminar to be held by the U.N. on this subject in mid-November is a most important step in the right direction. The ideas and recommendations to be developed there should be considered with thoughtful attention.

8. *Population and Environment.* The Stockholm Conference left the subject of population and environment to the World Population Conference and called upon the Secretary General to insure that during the preparations for that conference, special attention be given to population concerns as they relate to the environment and, more particularly, to the environment of human settlements. Certainly this fundamental and pervasive subject needs major attention. Although the relative effects in different countries of population growth, of affluence, and of technology on the environment vary, in

every country growing populations do affect the land, the forests, the rivers, lakes, and marginal seas, and the towns and cities. This in turn affects the quality of life of the people. However, the degree of this effect and its future implications need to be more carefully considered and better understood. Perhaps a thoughtful analysis in each country would make an important contribution to the World Population Year and Conference.

9. *Urgency.* The population explosion is a present danger requiring urgent action. The many adverse effects of rapid population growth are causing serious and irreparable damage now. Moreover, the youthful populations of nearly every developing country create a built-in momentum of population growth, which means that even with the most determined efforts to reduce birth rates to modern levels it will be impossible to avoid a doubling and difficult to avoid a trebling of present numbers. There is great urgency because each year of delay in reaching a level necessary for ultimate stabilizing of population growth will materially increase the level at which it is finally stabilized.

We look forward with hope and confidence to the great success of this conference. The visions and skills of the governmental representatives and experts here should make it possible to agree on actions and to set goals which will make a major contribution to the welfare and happiness of the peoples of Asia. Even beyond that, the work of this conference could lead this worldwide endeavor to bring population growth rates to levels most beneficial for human progress.

TEXT OF DECLARATION⁵

DECLARATION OF POPULATION STRATEGY FOR DEVELOPMENT

The Second Asian Population Conference,

Having considered the necessity of formulating population policies and programmes as integral parts of the social and economic development process,

⁵ U.N. doc. E/CN. 11/L. 342.

Recognizing the urgent necessity of succeeding in efforts for economic and social development for the benefit of the countries and the greater welfare and happiness of all the peoples of the ECAFE region,

Recognizing the human right of every couple to determine freely and responsibly the number and spacing of their children and the need to ensure their access to information, education and the means so to do, no matter what their financial or social condition,

Recognizing further the social and economic impact of individual family size on societies, and considering it appropriate for Governments to take social and economic measures, in addition to family planning programmes, that will make a smaller family more acceptable and beneficial to the individual couple,

Giving full recognition to national sovereignties and to the need for each country to consider the establishment of goals and programmes for an effective control of the growth of population in the light of individual national conditions and policies,

Reaffirming the importance of integrating population into the development strategy of the Second United Nations Development Decade,

Taking note of the Stockholm Declaration and stressing the impact that rapid population growth has on the human environment,

Having considered the fields of concern identified in the report of the present Conference,

Desirous of ensuring that the World Population Conference and the World Population Year contribute their utmost towards the universal resolution of the problems of population and development, bearing in mind the inherent differences in such problems from country to country, and

Emphasizing that the urgency of problems of population growth and distribution calls for intensive and dedicated work in various government sectors as well as innovative changes in many fields,

Declares that

1. While population has a direct effect on economic and social development and the human environment, conversely policies in the fields of education, health, housing, social security, employment and agriculture have an impact on population and, therefore, require integrated national planning and co-ordinating action at the highest government level.

2. It is important that the widespread benefits of economic growth should be ensured through policies and programmes to bring about a more equitable distribution of opportunity and income, with particular attention being paid to health and nutrition programmes to reduce infant and maternal mortality, programmes to achieve full and productive employment, action to reduce excessive rates of migration to the larger cities, measures to

improve the status of women, and appropriate social security measures.

3. The priority of population and family planning fields should be recognized through the allocation of broad responsibilities in planning, evaluation and analysis of programmes in these fields to an appropriate organization within the Governments.

4. Governments of the region which seek to fulfil the ideals of their people and their national goals through population policies and programmes should:

(a) recognize the essential role of population and family planning programmes as a means of effectively achieving the aspirations of families and their societies and should provide information, education and services for all citizens as early as possible;

(h) encourage small families in rural and urban areas through intensive efforts in information and education, with the help of all relevant institutions and resources and the enactment of appropriate social and economic measures;

(c) include in population policy and programmes provisions to ensure that all pertinent information reaches the policy-makers, opinion leaders, and socio-economic planners;

(d) encourage the development of new tools of communication and the utilization of existing ones so that knowledge may be shared at all levels of society;

(e) consider establishing population commissions or other bodies having multidisciplinary and multi-departmental representation, to assess the current status and future needs in the fields of population and family planning;

(f) ensure co-ordination among various agencies at the national, regional and local levels in order to expedite action and plans formulated in the light of integrated development policies;

(g) provide essential training facilities with a view to improving planning skills, promoting comprehensive and innovative population policies and improving management skills in order to increase the administrative capabilities of population and family planning programmes.

5. The Economic Commission for Asia and the Far East (ECAFE) with the co-operation of the United Nations Fund for Population Activities (UNFPA) and other United Nations bodies, should ensure that there are, within the region, facilities for training and research in the fields of population and development, to meet the countries' needs for people skilled in the various areas of policy formulation, planning, implementation and evaluation, and to promote the advancement of knowledge in these fields.

6. The problems encountered in dealing with rapid population growth are of vital concern to the

entire world community, and the Second Asian Population Conference requests that the report of its deliberations be taken into consideration in the drafting of the World Population Plan of Action; it likewise calls upon the World Population Conference, in 1974, to consider the means which might be applied on a global level for the solution of these problems.

7. Leadership and assistance on the part of the United Nations and its associated agencies are of crucial importance to all countries in achieving population goals consistent with and fundamental to the purposes set forth in this Declaration.

U.S. Accepts Agreed Principles for North Atlantic Charter Flights

Press release 296 dated December 1

DEPARTMENT ANNOUNCEMENT

The Department of State announced on December 1 U.S. acceptance of the terms of a declaration of agreed principles on charter flights over the North Atlantic which had been worked out jointly with Canadian authorities and representatives of the 20 member states of the European Civil Aviation Conference (ECAC). It is expected that the declaration, while it is not a treaty or an executive agreement, will provide a generally agreed framework which will permit all North Atlantic states to establish substantially similar charter rules with respect to the new nonaffinity class of air charters that will facilitate and regularize their operation on North Atlantic air routes. Canadian and European authorities, with whom U.S. representatives had developed the declaration at meetings at Ottawa in October, are making a similar announcement.

The texts of the declaration and a communication from Deputy Assistant Secretary of State for Transportation and Telecommunications Bert W. Rein to the Chairman of the International Transport Policy Committee of the Canadian Transport Commis-

sion and the President of the European Civil Aviation Conference outlining U.S. views on it are printed below.

Background

Since the middle forties, scheduled international air transportation has been controlled by a series of bilateral agreements between states. The United States is party to over 50 such agreements at present. However, since charter flights did not become a significant sector of air transport operations until the late fifties, this type of operation was not included in the bilateral air transport agreements and has been carried out for the most part on an ad hoc basis. The steadily mounting importance of low-cost charter air transportation was recognized in the Presidential policy statement approved by President Nixon June 22, 1970, in which it was stated:¹

Charter services by scheduled and supplemental carriers have been useful in holding down fare and rate levels and expanding passenger and cargo markets. They offer opportunities to exploit the inherent efficiency of planeload movement and the elasticity of demand for international air transport. They can provide low-cost transportation of a sort fitted to the needs of a significant portion of the traveling public. Charter services are a most valuable component of the international air transportation system

. . . foreign landing rights for charter services should be regularized. . . . (and) . . . intergovernmental agreements covering the operation of charter services should be vigorously sought

As charter transportation developed through the fifties and sixties, the affinity charter in which persons making up the charter group were required to be members of groups or organizations formed for purposes other than air travel (church groups, civic clubs, professional associations, et cetera) became the primary type of operation in this field. However, as charters became a more important sector of the overall

air transportation market (some 25 percent of all North Atlantic passengers moved by charter in 1971), it became apparent that the regulation of affinity charter rules became increasingly difficult and that the intrinsic discriminatory aspects of the rules themselves clearly were undesirable. To work toward a resolution of these problems, a series of meetings was instituted among U.S.—represented by the Civil Aeronautics Board (CAB), the Department of State, and the Department of Transportation—European, and Canadian authorities in early 1971 to seek an understanding on rules to be applied to charters that would regularize their operation in a manner similar to scheduled air transportation and facilitate their use by a wider segment of the traveling public, which had indicated its preference for this type of transportation. The final meeting of this series, in which the Department of State and the Department of Transportation participated, took place at Ottawa, Canada, October 19–21, 1972, just after the announcement in late September and early October of a new class of experimental nonaffinity charters by the United States (Travel Group Charters) and the United Kingdom (Advance Booking Charters). A similar rule on Excursion Travel Charters was also under consideration by the Europeans.

Based on the new rules and the work already done by the multilateral group, the declaration of agreed principles was developed as a means to facilitate the introduction of the new nonaffinity charters, which it is expected will become the most important single charter type for North Atlantic movements in the future. Final decisions have not yet been made by the parties on whether or not the affinity charter rules should be eliminated. The United States is giving consideration to suspending the affinity rules during the experimental period to December 31, 1975, for the Travel Group Charters. In this regard, the Civil Aeronautics Board issued on November 9 an advance notice of proposed rulemaking regard-

¹ For text, see BULLETIN of July 20, 1970, p. 86.

ing the suspension of prior-affinity charter authority. Whatever the outcome of this proceeding, the CAB has noted that it expects to postpone the effectiveness of any rule which might be developed to suspend affinity charters until after the completion of the 1973 travel season.

As the communication from Mr. Rein indicates, within the framework of the declaration the United States intends to seek bilateral discussions with other interested aviation authorities at an early date to arrive at a mutually agreeable regime for particular bilateral traffic flows and to insure fully reciprocal treatment for U.S.-originating Travel Group Charter flights.

Since the CAB's Travel Group Charter rule has been challenged in a court action, operation of flight programs under the non-affinity rules will be contingent upon the final resolution of court proceedings in the United States. In this regard, however, concrete developments in the legal situation are expected before the end of 1972.

TEXT OF DECLARATION OF AGREED PRINCIPLES

1. A new category of planeload charter operations should be introduced by 1 April 1973 with a view toward replacing affinity concepts as the primary regulatory regime governing North Atlantic charters by December 31, 1973.

2. The new charter category should reflect the basic economies provided to airlines by passengers who are willing to commit themselves to specific operations months in advance and to accommodate their travel arrangements so as to travel together with others. It should be premised on a commitment to hire an entire aircraft on behalf of one or several groups at least 90 days in advance of the commencement of the trip.

3. Organizers should undertake appropriate contractual arrangements with air carriers, should bring such charter opportunities to the attention of the traveling public by all appropriate means, and should ensure that charter participants receive the agreed transportation services. The regulation of organizers, including the possibility of licensing, and the control of their business activities and legal relations with carriers and charter participants is the principal concern of the state in which the organizer seeks to originate charters. Organizers should contract for a minimum group of 40.

4. Travelers in such new planeload charter operations should be identified at least 90 days in advance of the commencement of the trip. At that date, the appropriate authorities should be advised of committed group participants and a reasonable number of stand-by group participants. Between the 90th and 30th days before commencement, stand-by participants may be transferred to the main list provided that the number of transfers does not exceed 20% of the total number of passengers on the main list of pro-rata priced flights or 15% of the total number of seats contracted for on another basis.

5. Members of a participating group should depart and return together, and should secure their round trip tickets in advance of departure. Different groups departing on the same aircraft may return at different dates. Groups should depart and return on aircraft of the same carrier except in special cases where the feasibility of the proposed charter operation is recognized to require the participation of an additional carrier.

6. Participating groups should be required to undertake a journey of a minimum duration. In light of the travel needs of potential participants, a 14-day minimum for the summer season and a 10-day minimum for the winter season do not seem unreasonable.

7. Carriers should offer capacity for the new category of operations at prices which are neither unreasonably high or low taking into account the aircraft cost per mile, the distance involved and other relevant costs. Not less than four months before the commencement of their first operation, carriers should file appropriate tariffs with concerned regulatory authorities. In the absence of a challenge to such tariffs, contracts incorporating them shall be regarded as valid in this respect.

8. The impact of the new charter category on the ability of scheduled carriers to continue adequate on-demand services and economically viable operations, as well as the success of the new category in meeting the desires of the traveling public, should be carefully observed by governments. To this end, there should be agreement on common statistical techniques and exchanges of data.

9. In the event that operations of the new charter category lead states to consider that problems have arisen, the states concerned should undertake to discuss the matter to determine what measures, if any, should be taken.

10. Any limitations on the volume of charter flights in the new category should normally be announced well in advance of the 90th day before the commencement of any flights potentially affected, for example, by incorporation in licenses or regulations of general applicability. Every effort should be made by all states to avoid uncertainty with respect to individual flights.

11. Regulatory authorities should make an active effort to enforce the elements of new concepts and

may require the filing of contracts, passenger lists, substitute rosters and other appropriate documents. To minimize the administrative burdens of these procedures on carriers and organizers, efforts should be undertaken to coordinate enforcement procedures. In normal circumstances in order to avoid inconvenience to the traveling public, charter flights should not be interrupted by the states of destination, but infractions should be brought to the attention of the aeronautical authorities of the originating state for appropriate consideration and action.

12. Scheduled carriers, in addition to their plane-load charter operations, should consider offering the public an opportunity to benefit from the economies of advance commitment in the context of scheduled operations. It was recognized, however, that this question was one for the scheduled air carriers to determine in the first instance. The decision of scheduled air carriers in that respect will be considered by states when submitted.

COMMUNICATION FROM MR. REIN²

GENTLEMEN: After a review by appropriate executive and regulatory authorities, we have concluded that the draft Declaration prepared in Ottawa is acceptable to the United States. We believe that this Declaration establishes, as we look toward experimentation with non-affinity concepts, a generally agreed framework which will permit all North Atlantic States to establish substantially similar rules. We would expect the Declaration to be subject to such modifications as experience would make prudent.

Adherence to the Declaration signifies our intention to permit the operation to and from the United States of foreign-originating charters marketed under national rules consistent with the Declaration but differing from our own pro-rata regulations. To this end, we are prepared to undertake discussions with other interested authorities, at an appropriately early date, to arrive at a mutually agreeable regime for particular bilateral flows and to ensure fully reciprocal treatment for U.S. originating TGC [Travel Group Charter] flights. Actual inauguration of flight programs will, of course, be contingent upon the final resolution of court proceedings in the United States but we expect some concrete developments in the legal situation before the end of this year.

In communicating our views, I think it might be useful for me to call attention to several points which may be of interest to Canada and ECAC

member states. First, I believe that the decision of the CAB denying a stay of the TGC rule and the Board's subsequent initiation of an inquiry into the future of affinity flights underline the views which we expressed on affinity regulations at the Ottawa meeting. We would expect a relatively quick disposition of the affinity proceeding.

Second, while we accept the fact that the 10 and 14 day limitations mentioned in paragraph 6 of the draft Declaration do not seem unreasonable, we continue to believe that a year-round 10-day rule would be more reasonable. We believe that further evaluation and experience will demonstrate that shorter lengths of stay can be made available to the public without significant risks to the air transport system, and we would hope that, where and when appropriate, traffic will move on this basis.

Third, the provisions for substitution in paragraph 4 and their relation to final lists are of concern from the point of view of enforcement. We would expect in discussions with other interested governments to deal in more detail with transfer notifications, listing procedures, and closing dates. We are interested in ensuring the best possible enforcement approach consistent with the economic viability of operations and the convenience of the traveling public.

We look forward to receiving your views on the Ottawa Declaration. The work we have done together has not been easy and there are no doubt imperfections in our product. Nevertheless, we consider that these discussions have made important progress which will benefit carriers and the traveling public on both sides of the Atlantic.

Wildlife Conservation Conference To Be Held at Washington

Department Announcement, November 28

Press release 292 dated November 28

The most comprehensive international meeting ever held by governments on the conservation of the earth's endangered wildlife will convene at Washington in February. Over 100 nations are expected to participate.

The conference, which will be hosted by the U.S. Government, will seek to conclude a convention barring most trade across international boundaries of animals and plants now threatened by extinction. A stringent system of controls would be set up to regulate the limited exceptions.

The meeting represents the culmination of

² Addressed jointly to the Chairman of the International Transport Policy Committee of the Canadian Transport Commission and the President of the European Civil Aviation Conference.

years of preparatory work by both governments and private organizations. The International Union for Conservation of Nature and Natural Resources, a nongovernmental body, has proposed successive model conventions starting in 1963. The latest, which incorporates suggestions by the Government of Kenya and other governments and by private conservation groups, will be proposed by the United States as the basic working paper of the conference.

The conference will take place from February 12 to March 3 in the Department of State's conference suite. The final document emerging from the meeting will require ratification by the states seeking to become parties.

Bangladesh To Receive More Wheat Under Food for Peace Program

In response to an urgent appeal from the United Nations, the U.S. Government is donating an additional 100,000 tons of Food for Peace wheat to the people of Bangladesh, the Agency for International Development announced on November 28 (press release 86).

This is in addition to 100,000 tons of wheat committed earlier in November by the U.S. Government in response to the U.N.'s appeal for 700,000 tons of grain for Bangladesh. Delivered value of the new commitment of 100,000 tons of wheat is about \$10 million.

To date the U.S. Government has committed 850,000 tons of wheat, 150,000 tons of rice, and 75,000 tons of edible oil to the people of Bangladesh.

Including the wheat donation announced November 28, the U.S. Government has contributed approximately \$320 million in cash, food, medical, and other relief and rehabilitation assistance to Bangladesh since its independence.

Congressional Documents Relating to Foreign Policy

92d Congress, 1st Session

The Geneva Protocol of 1925. Hearings before the Senate Committee on Foreign Relations on Executive J, 91st Cong., 2d sess., the protocol for the prohibition of the use in war of asphyxiating, poisonous, or other gases, and of bacteriological methods of warfare. March 5-26, 1971 (printed October 1972). 446 pp.

92d Congress, 2d Session

Economic Developments in Mainland China. Hearings before the Joint Economic Committee. June 13-15, 1972. 151 pp.

Protocol Amending the Single Convention on Narcotic Drugs. Hearing before the Senate Committee on Foreign Relations on Executive J, 92d Cong., 2d sess. June 27, 1972. 80 pp.

The States of North Africa in the 1970's. Joint hearings before the Subcommittee on Africa and the Subcommittee on the Near East of the House Committee on Foreign Affairs. July 18-August 2, 1972. 261 pp.

Agreement on Limitation of Strategic Offensive Weapons. Hearings before the House Committee on Foreign Affairs on joint resolutions to consider approval of interim agreement between the United States of America and the Union of Soviet Socialist Republics on certain measures with respect to the limitation of strategic offensive arms. July 20-August 9, 1972. 158 pp.

Full Committee Hearings on the Military Implications of the Strategic Arms Limitation Talks Agreements. House Committee on Armed Services. July 25-27, 1972. 87 pp.

Communist Treatment of Prisoners of War. A historical survey. Prepared for the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Senate Committee on the Judiciary. August 8, 1972. 35 pp.

World Drug Traffic and Its Impact on U.S. Security. Hearings before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Senate Committee on the Judiciary. Part 1: Southeast Asia. August 14, 1972. 66 pp.

Prospects for Peace in the Middle East: The View From Israel. Report by Senator Frank Church to the Senate Committee on Foreign Relations on a study mission to Israel, August 22-27, 1972. September 1972. 30 pp.

Mexico-United States Interparliamentary Group. Report of the Senate delegation on the 12th meeting, held at New Orleans, by Senator Mike Mansfield, chairman. September 11, 1972. 18 pp.

U.S. Abstains on General Assembly Resolution on the Middle East

Following are statements made in the U.N. General Assembly on December 5 and 8 by U.S. Representative George Bush, together with the text of a resolution adopted by the Assembly on December 8.

STATEMENT OF DECEMBER 5

USUN press release 152 dated December 5

Since the tragic war of 1967, a torrent of words on the Middle East has engulfed this and other U.N. chambers. Bitterness and invective have characterized many statements, and these have contributed little to finding the road to a durable peace.

For this reason the United States believed that unless there was a specific practical objective which clearly could have moved the area nearer to peace, it would have been wise to forgo yet another debate and resolution on the Middle East at this General Assembly. Others did not agree, and the debate is on. It is now for us—all of us—to do our best to see that what emerges from this debate contributes directly to an improvement in the atmosphere in the Middle East and to the prospects for peacemaking or, if this is not possible, to insure that opportunities for diplomacy in the months ahead are not seriously set back.

Secretary Rogers outlined the views of my government during the general debate.¹ He cautioned that:

... the momentum toward a peace settlement must be regained. ...

... neither side has permanently closed the door to future diplomatic efforts. We believe that forces

favoring a peaceful settlement still have the upper hand. Our task is to do everything possible to see that they are supported.

The basic framework for the long-sought peace has been in existence since 1967. So many pro forma and perfunctory references have been made to Security Council Resolution 242 in recent years that we tend to forget the landmark quality of that guideline to peace.² It is a carefully balanced document, evolved with extraordinary care to address the concerns of the parties involved as well as to serve as a basis for reconciling interests and laying the foundation for a peaceful settlement which will endure. We would do well to bear always in mind that it is the essential agreed basis for United Nations peace efforts and that this body and all its members should be mindful of the need to preserve the negotiating asset that it represents.

The heart of this resolution is that a just and lasting peace in the Middle East should include the application of two—not one, but two—principles: withdrawal of Israeli armed forces from territories occupied in the 1967 conflict; and “termination of all claims or states of belligerency and respect for and acknowledgement of the sovereignty, territorial integrity and political independence of every State in the area and their right to live in peace within secure and recognized boundaries free from threats or acts of force.”

Clearly, the inability of the countries in the area to move forward toward a settlement, despite determined efforts by a distinguished statesman, Ambassador Gunnar

¹ For Secretary Rogers' statement before the General Assembly on Sept. 25, see BULLETIN of Oct. 16, 1972, p. 425.

² For text of the resolution, see BULLETIN of Dec. 18, 1967, p. 843.

Jarring as the Secretary General's Special Representative, has resulted from varying interpretations of the principles contained in Resolution 242. The issues are complex and have deep historical and emotional roots. While my government regrets that more progress has not been made, we are also convinced that these difficulties are not insurmountable and that further efforts must be made to bring the benefits of a peaceful settlement to all the peoples of the Middle East. We know that each side is convinced of the justice of its cause, and we know that each side is concerned about its future security. We believe that a political settlement, based on mutual accommodation, could assure both.

Mr. President, the U.S. Government and the American people have an important, substantial interest in maintaining peace in the Middle East, in preserving the cultural heritage and political independence of all its peoples, and in helping to create stable conditions in which they may freely pursue their own material and social development. We attach great importance to our relations with all the states and peoples of the area, relations which have deep and abiding roots. We are particularly pleased that in the last year cordial and fruitful relations have been reestablished between the United States and some Arab states. We, on our part, are determined to conduct ourselves in a manner which will contribute to this trend of improving relations with old friends.

For this reason we supported, and continue to support, Security Council Resolution 242 and the mission of Ambassador Jarring. For this reason we welcomed, and continue to welcome, the establishment of a cease-fire in much of the area, which has reduced the loss of lives and resources and has given time for constructive reflection on the future of the area.

And what of that future? How is it to be assured in peace and harmony for the countries of the Middle East? We are still faced with the problem of the "how": how to get a reasonable process of discussion and accommodation underway so that the peoples

of that area may enjoy the benefits of a more tranquil environment.

All of us are aware that progress on the great political issues of our time has come slowly and, in most cases, in small steps or stages. My government has long been convinced that the most hopeful and practical means of initiating a reasonable process of discussion and accommodation on the Middle East was through practical interim steps, such as those involved in the so-called interim Suez Canal agreement. The United States has publicly and privately indicated its willingness to play a role in helping the parties negotiate such an agreement if they so desire, and we remain available for this purpose.

Mr. President, the problems in the Middle East area are indeed complex and deeply rooted. But other problems around the world are also complex or the product of deep historical, cultural, or political divisions.

For our part, we are negotiating with the Soviet Union on the complex matter of nuclear arms and other matters. We have taken the first steps toward reducing two decades of accumulated tensions between us and the People's Republic of China. We are talking to North Viet-Nam about peace in Southeast Asia.

In central Europe, the Federal Republic of Germany initiated a process that has led to the initialing of a basic treaty with the German Democratic Republic and to improved relations with the other neighbors to the east. The countries of North America and Europe are now engaged in a process of discussion of the issues that have divided Europe for almost three decades.

Others have not been inactive in trying to bridge old animosities. Parties to the Cyprus dispute are participating in intercommunal talks. In south Asia, discussions are continuing among countries who only one year ago were engaged in active hostilities. In Korea, representatives from both sides of the armistice line are engaged in exploring the prospects for greater peace and stability on their peninsula.

It seems to us that all members of this organization have a strong interest in getting such processes started also on the problem of the Middle East. President Nixon recently indicated that a peaceful settlement in the Middle East will have a high priority for the United States.

The guidelines for negotiations between the parties have already been established in Security Council Resolution 242. This Assembly must preserve the measure of agreement that already underlies this resolution. It cannot seek to redefine the essentials for peace in the Middle East. It cannot seek to impose courses of action on the countries directly concerned, either by making new demands or by favoring the proposals or positions of one side or the other. These approaches simply will not work and may in fact endanger the relative calm that has existed since 1970.

This Assembly must instead insure that its conclusions will reinforce the willingness of all parties in the months ahead to enter into a diplomatic process which alone can lead to the just and lasting settlement which is our common objective.

STATEMENT OF DECEMBER 8

USUN press release 157 dated December 8

We regret very much that the resolution which has just been voted constitutes precisely the kind of resolution we had so much hoped could be avoided at this Assembly. This resolution cannot render constructive assistance to the processes of diplomacy. It cannot offer encouragement to the parties to reach a peaceful accommodation of their differences.

As we and others have noted many times before, Security Council Resolution 242 is a carefully balanced text whose provisions regarding the basic aspects of a settlement are integrally interrelated. Security Council Resolution 242 is designed to serve as the guideline for a peaceful settlement which meets the political, security, and economic interest of all the peoples in the area. It is the only

agreed basis for such a settlement, and as I said four days ago, it is essential that we, and particularly the principal parties concerned, preserve the negotiating framework which Resolution 242 provides.

Several paragraphs of this resolution appear calculated to upset the careful balance of Security Council Resolution 242 between withdrawal from occupied territories and agreement between the parties on the terms of a just and lasting peace.

The United States was particularly concerned, as indicated in my intervention on a point of order earlier, over the language of operative paragraph 8 notwithstanding the efforts of a number of delegations to tone down the more objectionable features of the original language. I wish to record here and now that had we been permitted to vote on that paragraph separately, we would have voted "No." This paragraph is directly contrary to U.S. policy on the matter of assistance and cannot affect our attitude.

The Assembly cannot expect that by adopting such a resolution it can establish a new, agreed basis for peace in the Middle East.

Four days ago my government urged the members of this Assembly to insure that our debate contribute directly to an improvement in the atmosphere in the Middle East and to the prospects for peacemaking or, at a minimum, to insure that opportunities for diplomacy in the months ahead are not set back. As President Nixon said recently, the Middle East will have high priority. Only this week Secretary Rogers reaffirmed in Brussels the U.S. intention to be active diplomatically to encourage meaningful negotiations between the parties.

TEXT OF RESOLUTION³

The General Assembly,

Having considered the item entitled "The situation in the Middle East",

Having received the report of the Secretary-

³ U.N. doc. A/RES/2949 (XXVII); adopted by the Assembly on Dec. 8 by a rollcall vote of 86 to 7, with 31 abstentions (U.S.).

General of 15 September 1972 on the activities of his Special Representative to the Middle East,

Reaffirming that Secretary Council resolution 242 (1967) of 22 November 1967 must be implemented in all its parts,

Deeply perturbed that Security Council resolution 242 (1967) and General Assembly resolution 2799 (XXVI) of 13 December 1971 have not been implemented and, consequently, the envisaged just and lasting peace in the Middle East has not been achieved,

Reiterating its grave concern at the continuation of the Israeli occupation of Arab territories since 5 June 1967,

Reaffirming that the territory of a State shall not be the object of occupation or acquisition by another State resulting from the threat or use of force,

Affirming that changes in the physical character or demographic composition of occupied territories are contrary to the purposes and principles of the Charter of the United Nations, as well as to the provisions of the relevant applicable international conventions,

Convinced that the grave situation prevailing in the Middle East constitutes a serious threat to international peace and security,

Reaffirming the responsibility of the United Nations to restore peace and security in the Middle East in the immediate future,

1. *Reaffirms* its resolution 2799 (XXVI);

2. *Deplores* the non-compliance by Israel with General Assembly resolution 2799 (XXVI), which in particular called upon Israel to respond favourably to the peace initiative of the Special Representative of the Secretary-General to the Middle East;

3. *Expresses its full support* for the efforts of the Secretary-General and his Special Representative;

4. *Declares once more* that the acquisition of territories by force is inadmissible and that, consequently, territories thus occupied must be restored;

5. *Reaffirms* that the establishment of a just and lasting peace in the Middle East should include the application of both the following principles:

(a) Withdrawal of Israeli armed forces from territories occupied in the recent conflict;

(b) Termination of all claims or states of belligerency and respect for and acknowledgement of the sovereignty, territorial integrity and political independence of every State in the area and its right to live in peace within secure and recognized boundaries free from threats or acts of force;

6. *Invites* Israel to declare publicly its adherence to the principle of non-annexation of territories through the use of force;

7. *Declares* that changes carried out by Israel in the occupied Arab territories in contravention of the Geneva Convention of 1949 are null and void, and calls upon Israel to rescind forthwith all such measures and to desist from all policies and practices affecting the physical character or demographic composition of the occupied Arab territories;

8. *Calls upon* all States not to recognize any such changes and measures carried out by Israel in the occupied Arab territories and invites them to avoid actions, including actions in the field of aid, that could constitute recognition of that occupation;

9. *Recognizes* that respect for the rights of the Palestinians is an indispensable element in the establishment of a just and lasting peace in the Middle East;

10. *Requests* the Security Council, in consultation with the Secretary-General and his Special Representative, to take all appropriate steps with a view to the full and speedy implementation of Security Council resolution 242 (1967), taking into account all the relevant resolutions and documents of the United Nations in this connexion;

11. *Requests* the Secretary-General to report to the Security Council and the General Assembly on the progress made by him and his Special Representative in the implementation of Security Council resolution 242 (1967) and of the present resolution;

12. *Decides* to transmit the present resolution to the Security Council for its appropriate action and requests the Council to keep the General Assembly informed.

Calendar of International Conferences¹

Scheduled January Through March

U.N. ECOSOC Organizational Meeting for the 54th Session. . .	New York . . .	Jan. 8-10
ECE Group of Rapporteurs on the Standardization of Technical Requirements for Vessels and of Ship's Papers. . .	Geneva . . .	Jan. 8-12
IMCO Subcommittee on Life-Saving Appliances: 6th Session. . .	London . . .	Jan. 8-12
FAO Intergovernmental Group on Hard Fibers: 5th Session. . .	Mérida, Mexico . . .	Jan. 8-13
IOC/UNESCO Ad Hoc Working Group on Rationalizing the Structure of the Commission. . .	Paris . . .	Jan. 8-13
UNCITRAL Working Group on Negotiable Instruments . . .	Geneva . . .	Jan. 8-19
ECAFE Transport and Communications Committee . . .	Bangkok . . .	Jan. 9-16
ICAO Legal Committee: Special Session . . .	Montreal . . .	Jan. 9-30
5th ICAO Africa/Indian Ocean Regional Air Navigation Meeting. . .	Rome . . .	Jan. 10-Feb. 2
U.N. ECOSOC Committee for Program and Coordination . . .	New York . . .	Jan. 11-12
U.N. ECOSOC Commission on Human Rights Ad Hoc Committee on Periodic Reports. . .	New York . . .	Jan. 11-19
GATT Working Group on Subsidies . . .	Geneva . . .	Jan. 15-17
ECE Group of Rapporteurs on Braking Problems . . .	Geneva . . .	Jan. 15-19
IMCO Subcommittee on Subdivision and Stability: 14th Session. . .	London . . .	Jan. 15-19
ICRC Meeting of Government Experts on Humanitarian Law Applicable in Armed Conflicts. . .	Geneva . . .	Jan. 15-20
OECD Trade Committee . . .	Paris . . .	Jan. 16-17
GATT UNCTAD Joint Advisory Group on the International Trade Center. . .	Geneva . . .	Jan. 16-19
UNESCO International Bureau of Education Council: 8th Session . . .	Geneva . . .	Jan. 16-20
WHO Executive Board . . .	Geneva . . .	Jan. 16-27
OECD Experts Meeting on Direct Investments . . .	Paris . . .	Jan. 17
GATT Committee on Trade in Industrial Products . . .	Geneva . . .	Jan. 18-19
GATT Working Group on the Tariff Study . . .	Geneva . . .	Jan. 22
ECE Group of Experts on International Standardization Policies. . .	Geneva . . .	Jan. 22-24
IMCO Legal Committee: 17th Session . . .	London . . .	Jan. 22-26
UNCTAD Reinsurance Experts Meeting . . .	Geneva . . .	Jan. 22-27
ECAFE Committee on Trade . . .	Bangkok . . .	Jan. 22-30
ICAO Obstacle Clearance Panel: 4th Session . . .	Montreal . . .	Jan. 22-Feb. 2
UNCITRAL Working Group on Sales . . .	New York . . .	Jan. 22-Feb. 2
U.N. ECOSOC Commission on Narcotic Drugs: 25th Session . . .	Geneva . . .	Jan. 22-Feb. 9
UNDP Governing Council: 15th Session . . .	New York . . .	Jan. 22-Feb. 9
ECE Inland Transport Committee: 32d Session . . .	Geneva . . .	Jan. 29-Feb. 2
IMCO Subcommittee on Containers and Cargoes: 14th Session . . .	London . . .	Jan. 29-Feb. 2
U.N. Working Group on Remote Sensing of the Earth by Satellites . . .	New York . . .	Jan. 29-Feb. 9

¹This schedule, which was prepared in the Office of International Conferences on December 15, 1972, lists international conferences in which the U.S. Government expects to participate officially in the period January-March 1973. Nongovernmental conferences are not included.

Following is a key to the abbreviations: CCC, Customs Cooperation Council; CENTO, Central Treaty Organization; EC, European Community; ECA, Economic Commission for Africa; ECAFE, Economic Commission for Asia and the Far East; ECE, Economic Commission for Europe; ECOSOC, Economic and Social Council; FAO, Food and Agriculture Organization; GATT, General Agreement on Tariffs and Trade; IAEA, International Atomic Energy Agency; IA-ECOSOC, Inter-American Economic and Social Council; ICAO, International Civil Aviation Organization; ICRC, International Committee of the Red Cross; ILO, International Labor Organization; IMCO, Intergovernmental Maritime Consultative Organization; IOC, Intergovernmental Oceanographic Commission; NATO, North Atlantic Treaty Organization; OECD, Organization for Economic Cooperation and Development; RID, European Convention on Transport of Dangerous Goods by Rail; UNCITRAL, United Nations Commission on International Trade Law; UNCTAD, U.N. Conference on Trade and Development; UNDP, United Nations Development Program; UNESCO, United Nations Educational, Scientific and Cultural Organization; WHO, World Health Organization; WIPO, World Intellectual Property Organization.

UNCTAD Intergovernmental Group on the Transfer of Technology	Geneva	Jan. 29-Feb. 9
IA-ECOSOC: 8th Annual Meeting	Medellin, Colombia	Jan. 30-Feb. 9
CCC Chemists Committee: 19th Session	Brussels	January
Council of Europe Consultations on UNCITRAL	Paris	January
GATT Preparatory Committee for the International Trade Negotiations.	Geneva	January
GATT Working Party on EC Enlargement	Montreal	January
ICAO: Extraordinary Session of the Assembly	London	January
IMCO Working Group on Safety of Fishing Vessels: 13th Session	London	January
International Coffee Organization	Madrid	January
International Commission for Northwest Atlantic Fisheries: Special Mid-Term Meeting.	Paris	January
OECD Agricultural Ministerial Meeting	Paris	January
OECD Economic Policy Committee: Working Party IV on Inflation.	Paris	January
OECD Executive Committee "New Style"	Paris	January
UNESCO Meeting of Government Experts To Finalize Draft on International Recommendations on Status of Scientific Research Workers.		
ECAFE Asian Industrial Development Council	Bangkok	Feb. 1-7
ECE Committee on Agricultural Problems: 24th Session	Geneva	Feb. 5-9
U.N. ECOSOC Committee on Non-Governmental Organizations	New York	Feb. 5-9
IMCO Subcommittee on Safety of Fishing Vessels: 13th Session	London	Feb. 5-9
Joint RID/ECE Group of Experts on Transport of Dangerous Goods.	Geneva	Feb. 5-9
UNCITRAL Working Party on Shipping	New York	Feb. 5-23
ICAO Conference on the Economics of Route Air Navigation Facilities and Airports.	Montreal	Feb. 6-23
ECAFE Committee on Industry and Natural Resources	Bangkok	Feb. 8-14
ECE Group of Rapporteurs on Noise	Geneva	Feb. 12-16
IMCO Subcommittee on Ship Design and Equipment: 10th Session	London	Feb. 12-16
U.N. ECOSOC Committee on Natural Resources: 3d Session	New Delhi	Feb. 12-23
UNCTAD Working Group on the Charter of the Economic Rights and Duties of States.	Geneva	Feb. 12-23
ILO Governing Body: 189th Session	Geneva	Feb. 12-Mar. 2
FAO Technical Conference on Fisheries Management and Development.	Vancouver	Feb. 13-23
ECAFE Asian Institute for Economic Development and Planning	Bangkok	Feb. 15-16
ECA Conference of Ministers	Accra	Feb. 19-23
ECE Group of Rapporteurs on Container Transport	Geneva	Feb. 19-23
U.N. ECOSOC Group of Experts on Explosives	Geneva	Feb. 19-23
IMCO Subcommittee on Marine Pollution	London	Feb. 19-Mar. 2
IAEA Board of Governors	Vienna	Feb. 20
FAO Intergovernmental Group on Jute, Kenaf, and Allied Fibers: 6th Session.	Rome	Feb. 21-23
ECAFE Asian Statistical Institute	Tokyo	Feb. 26-Mar. 1
U.N. ECOSOC Group of Rapporteurs on Packaging of Dangerous Goods.	Geneva	Feb. 26-Mar. 9
U.N. ECOSOC Human Rights Commission: 29th Session	Geneva	Feb. 26-Apr. 6
UNCTAD Committee on Commodities	Geneva	Feb. 27-Mar. 9
U.N. Committee on the Peaceful Uses of the Sea-bed and the Ocean Floor Beyond the Limits of National Jurisdiction.	Geneva	Feb. 27-Mar. 30
CCC Valuation Committee: 60th Session	Brussels	February
GATT Working Group on Countervailing Duties	Geneva	February
GATT Working Group on Import Documentation	Geneva	February
GATT Working Group on Quantitative Restriction and Export Formalities.	Geneva	February
International Coffee Organization	London	February
UNCTAD Trade and Development Board: Resumed Session	Geneva	February
UNESCO Conference on Application of Science and Technology to Development in Africa.	Lagos	February
UNESCO Intergovernmental Copyright Committee Study Group on International Regulation of Photographic Reproduction of Copyrighted Works.	Paris	February
Conference of the Committee on Disarmament	Geneva	February-April

ICRC Meeting of Government Experts on Humanitarian Law Applicable in Armed Conflicts.	Geneva	Mar. 5-9
IMCO Subcommittee on Radiocommunications: 11th Session . .	London	Mar. 5-9
OECD Trade Committee: Working Party on Government Procurement.	Paris	Mar. 5-9
ECE Senior Advisers to ECE Governments: 10th Session . . .	Geneva	Mar. 5-10
U.N. ECOSOC Commission for Social Development: 23d Session	Geneva	Mar. 5-23
ICAO Third Committee on Aircraft Noise	Montreal	Mar. 5-23
ICAO Facilitation Division: 8th Session	Dubrovnik	Mar. 6-24
ECE Group of Experts on Construction of Vehicles	Geneva	Mar. 12-16
FAO Technical Conference on Crop Genetic Resources	Rome	Mar. 12-16
IMCO Subcommittee on Standards of Training and Watchkeeping: 2d Session.	London	Mar. 12-16
OECD Manpower and Social Affairs Committee	Paris	Mar. 12-16
UNCTAD Conference on Olive Oil	Geneva	Mar. 12-30
ECE Group of Rapporteurs on Container Transport	Geneva	Mar. 19-23
U.N. ECOSOC Committee on Science and Technology	New York	Mar. 19-30
WIPO Joint Ad Hoc Committee on International Patent Classi- fication, Strasbourg Agreement.	Geneva	Mar. 20-30
ECE Group of Rapporteurs on Customs Questions Concerning Containers: 15th Session.	Geneva	Mar. 26-30
U.N. ECOSOC Group of Experts on Explosives	Geneva	Mar. 26-30
IMCO Maritime Safety Committee: 27th Session	London	Mar. 26-30
U.N. Committee on the Peaceful Uses of Outer Space: Legal Subcommittee.	New York	Mar. 26-Apr. 20
CENTO Military Committee	Washington	Mar. 27-28
NATO Disarmament Experts Meeting	Brussels	Mar. 27-28
NATO Joint Communications/Electronics Committee	Brussels	Mar. 27-28
NATO Security Committee	Brussels	Mar. 27-30
2d ICAO Conference Dealing with Danish and Icelandic Joint Financing Agreements.	Paris	Mar. 27-Apr. 7
CCC Permanent Technical Committee: 81st/82d Sessions . . .	Brussels	March
GATT Preparatory Committee for the International Trade Negotiations.	Geneva	March
IOC/UNESCO International Coordinating Group for Cooperative Investigation of the Caribbean and Adjacent Regions: 6th Session.	Colombia	March
IOC/UNESCO International Coordinating Group for Southern Ocean: 3d Session.	Buenos Aires . . .	March
OECD Economic Policy Committee: Working Party II on Economic Growth.	Paris	March
OECD Economic Policy Committee: Working Party III on Balance of Payments.	Paris	March
UNESCO Directing Council of the Intergovernmental Confer- ence for the Establishment of a World Science Information System: 1st Session.	Paris	March
2d UNESCO Conference of Ministers of Education of European Member States.	Paris	March
WIPO Patent Cooperation Treaty Interim Committees and Finance Working Group.	Geneva	March
ICAO Aircraft Accident Data Reporting Panel	Montreal	March-April
ICAO All Weather Operations Panel: 5th Session	Montreal	March-April
UNCTAD Committee on Commodities: 7th Meeting	Geneva	March-April
UNCTAD Committee on Shipping	Geneva	March-April
GATT Working Party on EC Enlargement	Geneva	March-June

TREATY INFORMATION

Current Actions

MULTILATERAL

Aviation

Convention for the suppression of unlawful acts against the safety of civil aviation. Done at Montreal September 23, 1971.¹
Signature: India, December 11, 1972.

Biological Weapons

Convention on the prohibition of the development, production and stockpiling of bacteriological (biological) and toxin weapons and on their destruction. Done at Washington, London, and Moscow April 10, 1972.¹
Ratification deposited: New Zealand, December 13, 1972.

Finance

Articles of agreement of the International Monetary Fund, as amended. Done at Washington December 27, 1945. Entered into force December 27, 1945. TIAS 1501, 6748.
Signature and acceptance: Romania, December 15, 1972.

Articles of agreement of the International Bank for Reconstruction and Development, as amended. Done at Washington December 27, 1945. Entered into force December 27, 1945. TIAS 1502, 5929.
Signature and acceptance: Romania, December 15, 1972.

Oil Pollution

International convention on the establishment of an international fund for compensation for oil pollution damage. Done at Brussels December 18, 1971.²
Signature: Finland, November 28, 1972.

Safety at Sea

International regulations for preventing collisions at sea. Approved by the international conference on safety of life at sea held at London from May 17 to June 17, 1960. Entered into force September 1, 1965. TIAS 5813.
Acceptance deposited: Tunisia, November 23, 1972.

¹ Not in force.

Satellite Communications System

Agreement relating to the International Telecommunications Satellite Organization (Intelsat), with annexes. Done at Washington August 20, 1971.

Ratifications deposited: Iran, Korea, Philippines, December 12, 1972; Argentina, December 13, 1972; Ivory Coast, December 15, 1972.

Accession deposited: Jamaica, December 14, 1972.
Enters into force: February 12, 1973.

Operating agreement relating to the International Telecommunications Satellite Organization (Intelsat), with annex. Done at Washington August 20, 1971.

Signature: Jamaica International Telecommunications Limited (Jamintel), of Jamaica, December 14, 1972.

Enters into force: February 12, 1973.

Weights and Measures

Convention establishing an International Organization of Legal Metrology. Done at Paris October 12, 1955, and amended January 1968. Entered into force May 28, 1958; for the United States October 22, 1972.

Proclaimed by the President: December 12, 1972.

BILATERAL

Iceland

Agreement for sales of agricultural commodities, relating to the agreement of June 5, 1967 (TIAS 6300). Signed at Reykjavik December 4, 1972. Entered into force December 4, 1972.

Korea

Agreement concerning cooperation in fisheries, with agreed minutes. Signed at Washington November 24, 1972.
Entered into force: December 12, 1972.

Pakistan

Agreement amending the agreement for sales of agricultural commodities of September 21, 1972 (TIAS 7466). Effected by exchange of notes at Islamabad November 15, 1972. Entered into force November 15, 1972.

Poland

Consular convention, with protocols and exchanges of notes. Signed at Warsaw May 31, 1972.¹
Ratified by Poland: December 8, 1972.

Romania

Agreement on exchanges and cooperation in educational, cultural, scientific, technical, and other fields in 1973-74. Signed at Washington December 15, 1972. Enters into force January 1, 1973.

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Press releases may be obtained from the Office of Press Relations, Department of State, Washington, D.C. 20520.

Releases issued prior to December 11 which appear in this issue of the BULLETIN are Nos. 292 of November 28 and 296 of December 1.

No.	Date	Subject
303	12/11	Rogers: news conference, Brussels, Dec. 8.
304	12/11	NATO ministerial meeting communique, Brussels, Dec. 8 (NATO document printed here).
*305	12/12	Manfull sworn in as Ambassador to Liberia (biographic data).
*306	12/13	Announcement of Department of State science lecture.
307	12/13	Nixon: message to North Atlantic Council, Dec. 7.
308	12/14	Isham: 170th plenary session on Viet-Nam at Paris.
*309	12/14	Advisory Committee on Private International Law to meet Dec. 16.
†310	12/15	U.S. and Romania conclude agreement on exchanges.
†310A	12/15	Text of U.S.-Romania agreement on exchanges.

* Not printed.

† Held for a later issue of the BULLETIN.

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THE DEPARTMENT OF STATE BULLETIN

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THE DEPARTMENT OF STATE BULLETIN

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January 8, 1973

The Department of State BULLETIN, a weekly publication issued by the Office of Media Services, Bureau of Public Affairs, provides the public and interested agencies of the government with information on developments in the field of U.S. foreign relations and on the work of the Department and the Foreign Service.

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Dr. Kissinger Reviews Obstacles in Negotiations on Viet-Nam Peace

Following is the transcript of a news conference by Henry A. Kissinger, Assistant to the President for National Security Affairs, held at the White House on December 16.

Weekly Compilation of Presidential Documents dated December 18

Dr. Kissinger: Ladies and gentlemen: As you know, I have been reporting to the President and meeting with the Secretary of State, the Vice President, the Secretary of Defense, the Chairman of the Joint Chiefs, and other senior officials. I am meeting with you today because we wanted to give you an account of the negotiations as they stand today.

I am sure you will appreciate that I cannot go into the details of particular issues, but I will give you as fair and honest a description of the general trend of the negotiations as I can.

First, let me do this in three parts: What led us to believe, at the end of October, that peace was imminent; second, what has happened since; third, where do we go from here?

At the end of October we had just concluded three weeks of negotiations with the North Vietnamese. As you all know, on October 8 the North Vietnamese presented to us a proposal which, as it later became elaborated, appeared to us to reflect the main principles that the President has always enunciated as being part of the American position. These principles were that there had to be an unconditional release of American prisoners throughout Indochina; secondly, that there should be a cease-fire in Indochina brought into being by various means suitable to the conditions of the coun-

tries concerned; third, that we were prepared to withdraw our forces under these conditions in a time period to be mutually agreed upon; fourth, that we would not prejudge the political outcome of the future of South Viet-Nam, we would not impose a particular solution, we would not insist on our particular solution.

The agreement as it was developed during October seemed to us to reflect these principles precisely. Then, toward the end of October, we encountered a number of difficulties. At the time, because we wanted to maintain the atmosphere leading to a rapid settlement, we mentioned them at our briefings, but we did not elaborate on them.

Now let me sum up what the problems were at the end of October.

It became apparent that there was in preparation a massive Communist effort to launch an attack throughout South Viet-Nam to begin several days before the cease-fire would have been declared and to continue for some weeks after the cease-fire came into being.

Second, there was an interview by the North Vietnamese Prime Minister which implied that the political solution that we had always insisted was part of our principles—namely, that we would not impose a coalition government—was not as clear-cut as our record of the negotiations indicated.

Thirdly, as no one could miss, we encountered some specific objections from Saigon.

Under these conditions, we proposed to Hanoi that there should be one other round of negotiations to clear up these difficulties. We were convinced that with good will on

both sides, these difficulties could be relatively easily surmounted and that if we conducted ourselves on both sides in the spirit of the October negotiations, a settlement would be very rapid.

It was our conviction that if we were going to bring to an end 10 years of warfare we should not do so with an armistice, but with a peace that had a chance of lasting. Therefore we proposed three categories of clarifications in the agreement.

First, we wanted the so-called linguistic difficulties cleared up so that they would not provide the seed for unending disputes and another eruption of the war. I will speak about those in a minute.

Secondly, the agreement always had provided that international machinery be put in place immediately after the cease-fire was declared. We wanted to spell out the operational meaning of the word "immediately" by developing the protocols that were required to bring the international machinery into being simultaneously with a cease-fire agreement. This, to us, seemed a largely technical matter.

Thirdly, we wanted some reference in the agreement, however vague, however allusive, however indirect, which would make clear that the two parts of Viet-Nam would live in peace with each other and that neither side would impose its solution on the other by force. These seemed to us modest requirements, relatively easily achievable.

Let me now tell you the sequence of events since that time. We all know of the disagreements that have existed between Saigon and Washington. These disagreements are to some extent understandable. It is inevitable that a people on whose territory the war has been fought and that for 25 years has been exposed to devastation and suffering and assassination would look at the prospects of a settlement in a more detailed way, in a more anguished way, than we who are 10,000 miles away. Many of the provisions of the agreement inevitably were seen in a different context in Viet-Nam than in Washington.

I think it is safe to say that we face, with respect to both Vietnamese parties, this problem. The people of Viet-Nam, North and South, have fought for so long that the risks and perils of war, however difficult, seem sometimes more bearable to them than the uncertainties and the risks and perils of peace.

Now, it is no secret, either, that the United States has not agreed with all the objections that were raised by Saigon. In particular, the U.S. position with respect to the cease-fire had been made clear in October 1970; it had been reiterated in the President's proposal of January 25, 1972; it was repeated again in the President's proposal of May 8, 1972.¹ None of these proposals had asked for a withdrawal of North Vietnamese forces. Therefore we could not agree with our allies in South Viet-Nam when they added conditions to the established positions after an agreement had been reached that reflected these established positions.

As was made clear in the press conference here on October 26, as the President has reiterated in his speeches, the United States will not continue the war one day longer than it believes is necessary to reach an agreement we consider just and fair.²

So we want to leave no doubt about the fact that if an agreement is reached that meets the stated conditions of the President, if an agreement is reached that we consider just, that no other party will have a veto over our actions.

But I am also bound to tell you that today this question is moot because we have not yet reached an agreement that the President considers just and fair. Therefore I want to explain to you the process of the negotiations since they resumed on November 20 and where we are.

The three objectives that we were seeking in these negotiations were stated in the press

¹ For background, see BULLETIN of Oct. 26, 1970, p. 465; Feb. 14, 1972, p. 181; and May 29, 1972, p. 747.

² For Dr. Kissinger's news conference of Oct. 26, see BULLETIN of Nov. 13, 1972, p. 549.

conference of October 26, in many speeches by the President afterward, and in every communication to Hanoi since. They could not have been a surprise.

Now let me say a word first about what were called linguistic difficulties, which were called these in order not to inflame the situation. How did they arise? They arose because the North Vietnamese presented us a document in English which we then discussed with them, and in many places throughout this document the original wording was changed as the negotiations proceeded, and the phrases were frequently weakened compared to the original formulation. It was not until we received the Vietnamese text, after those negotiations were concluded, that we found that while the English terms had been changed, the Vietnamese terms had been left unchanged.

So we suddenly found ourselves engaged in two negotiations, one about the English text, the other about the Vietnamese text. Having conducted many negotiations, I must say this was a novel procedure. It led to the view that perhaps these were not simply linguistic difficulties, but substantive difficulties.

Now, I must say that all of these, except one, have now been eliminated.

The second category of problems concerned bringing into being the international machinery so that it could operate simultaneously with the cease-fire and so as to avoid a situation where the cease-fire, rather than bring peace, would unleash another frenzy of warfare.

So to that end we submitted on November 20, the first day that the negotiations resumed, a list of what are called protocols, technical instruments to bring this machinery into being. These protocols—and I will not go into the details of these protocols—they are normally technical documents, and ours were certainly intended to conform to normal practices, despite the fact that this occurred four weeks after we had made clear that this was our intention and three weeks after Hanoi had pressed us to sign a cease-

fire agreement. The North Vietnamese refused to discuss our protocols and refused to give us their protocols, so that the question of bringing the international machinery into being could not be addressed.

The first time we saw the North Vietnamese protocols was on the evening of December 12, the night before I was supposed to leave Paris, six weeks after we had stated what our aim was, five weeks after the cease-fire was supposed to be signed, a cease-fire which called for this machinery to be set up immediately.

These protocols were not technical instruments, but reopened a whole list of issues that had been settled—or we thought had been settled—in the agreement. They contained provisions that were not in the original agreement, and they excluded provisions that were in the original agreement. They are now in the process of being discussed by the technical experts in Paris, but some effort will be needed to remove the political provisions from them and to return them to a technical status.

Secondly, I think it is safe to say that the North Vietnamese perception of international machinery and our perception of international machinery is at drastic variance, and that, ladies and gentlemen, is an understatement.

We had thought that an effective machinery required, in effect, some freedom of movement, and our estimate was that several thousand people were needed to monitor the many provisions of the agreement. The North Vietnamese perception is that the total force should be no more than 250, of which nearly half should be located at headquarters; that it would be dependent for its communications, logistics, and even physical necessities entirely on the party in whose area it was located. So it would have no jeeps, no telephones, no radios of its own; that it could not move without being accompanied by liaison officers of the party that was to be investigated, if that party decided to give it the jeeps to get to where the violation was taking place and if that

party would then let it communicate what it found.

It is our impression that the members of this commission will not exhaust themselves in frenzies of activity if this procedure were adopted.

Now, thirdly, the substance of the agreement. The negotiations since November 20 really have taken place in two phases. The first phase, which lasted for three days, continued the spirit and the attitude of the meetings in October. We presented our proposals. Some were accepted; others were rejected.

But by the end of the third day we had made very substantial progress and all of us thought that we were within a day or two of completing the arrangements. We do not know what decisions were made in Hanoi at that point; but from that point on, the negotiations have had the character where a settlement was always just within our reach and was always pulled just beyond our reach when we attempted to grasp it.

I do not think it is proper for me to go into the details of the specific issues, but I think I should give you a general atmosphere and a general sense of the procedures that were followed.

When we returned on December 4, we of the American team, we thought that the meetings could not last more than two or three days because there were only two or three issues left to be resolved. You all know that the meetings lasted nine days. They began with Hanoi withdrawing every change that had been agreed to two weeks previously.

We then spent the rest of the week getting back to where we had already been two weeks before. By Saturday, we thought we had narrowed the issues sufficiently where, if the other side had accepted again one section that they had already agreed to two weeks previously, the agreement could have been completed.

At that point, the President ordered General Haig [Gen. Alexander M. Haig, Jr., Deputy Assistant to the President for Na-

tional Security Affairs] to return to Washington so that he would be available for the mission, that would then follow, of presenting the agreement to our allies. At that point we thought we were sufficiently close so that experts could meet to conform the texts so that we would not again encounter the linguistic difficulties which we had experienced previously and so that we could make sure that the changes that had been negotiated in English would also be reflected in Vietnamese.

When the experts met, they were presented with 17 new changes in the guise of linguistic changes. When I met again with the Special Adviser [Le Duc Tho], the one problem which we thought remained on Saturday had grown to two, and a new demand was presented. When we accepted that, it was withdrawn the next day and sharpened up. So we spent our time going through the 17 linguistic changes and reduced them again to two. Then, on the last day of the meeting, we asked our experts to meet to compare whether the 15 changes that had been settled, of the 17 that had been proposed, now conformed in the two texts. At that point we were presented with 16 new changes, including four substantive ones, some of which now still remain unsettled.

Now, I will not go into the details or into the merits of these changes. The major difficulty that we now face is that provisions that were settled in the agreement appear again in a different form in the protocols; that matters of technical implementation which were implicit in the agreement from the beginning have not been addressed and were not presented to us until the very last day of a series of sessions that had been specifically designed to discuss them; and that as soon as one issue was settled, a new issue was raised.

It was very tempting for us to continue the process which is so close to everybody's heart, implicit in the many meetings, of indicating great progress; but the President decided that we could not engage in a charade with the American people.

We are now in this curious position: Great progress has been made, even in the talks. The only thing that is lacking is one decision in Hanoi, to settle the remaining issues in terms that two weeks previously they had already agreed to. So we are not talking of an issue of principle that is totally unacceptable. Secondly, to complete the work that is required to bring the international machinery into being in the spirit that both sides have an interest of not ending the war in such a way that it is just the beginning of another round of conflict. So we are in a position where peace can be near but peace requires a decision. This is why we wanted to restate once more what our basic attitude is.

With respect to Saigon, we have sympathy and compassion for the anguish of their people and for the concerns of their government. But if we can get an agreement that the President considers just, we will proceed with it.

With respect to Hanoi, our basic objective was stated in the press conference of October 26. We want an end to the war that is something more than an armistice. We want to move from hostility to normalization and from normalization to cooperation. But we will not make a settlement which is a disguised form of continued warfare and which brings about by indirection what we have always said we would not tolerate.

We have always stated that a fair solution cannot possibly give either side everything that it wants. We are not continuing a war in order to give total victory to our allies. We want to give them a reasonable opportunity to participate in a political structure, but we also will not make a settlement which is a disguised form of victory for the other side.

Therefore we are at a point where we are again perhaps closer to an agreement than we were at the end of October, if the other side is willing to deal with us in good faith and with good will. But it cannot do that every day an issue is settled a new one is

raised, that when an issue is settled in an agreement, it is raised again as an understanding, and if it is settled in an understanding, it is raised again as a protocol. We will not be blackmailed into an agreement, we will not be stampeded into an agreement, and if I may say so, we will not be charmed into an agreement, until its conditions are right.

For the President and for all of us who have been engaged in these negotiations, nothing that we have done has meant more than attempting to bring an end to the war in Viet-Nam. Nothing that I have done since I have been in this position has made me feel more the trustee of so many hopes as the negotiations in which I have recently participated. It was painful at times to think of the hopes of millions and, indeed, of the hopes of many of you ladies and gentlemen who were standing outside these various meetingplaces expecting momentous events to be occurring, while inside one frivolous issue after another was surfaced in the last three days.

So, what we are saying to Hanoi is: We are prepared to continue in the spirit of the negotiations that were started in October. We are prepared to maintain an agreement that provides for the unconditional release of all American and allied prisoners, that imposes no political solution on either side, that brings about an internationally supervised cease-fire and the withdrawal of all American forces within 60 days. It is a settlement that is just to both sides and that requires only a decision to maintain provisions that had already been accepted and an end to procedures that can only mock the hopes of humanity.

On that basis, we can have a peace that justifies the hopes of mankind and the sense of justice of all participants.

Now I will be glad to answer some of your questions.

Q. Dr. Kissinger, could you explain what in your mind you think Hanoi's motivation was in playing what you called a charade?

Dr. Kissinger: I don't want to speculate on Hanoi's motives. I have no doubt that before too long we will hear a version of events that does not exactly coincide with ours. I have attempted to give you as honest an account as I am capable of. I believe—and this is pure speculation—that for a people that have fought for so long it is, paradoxically, perhaps easier to face the risks of war than the uncertainties of peace.

It may be that they are waiting for a further accentuation of the divisions between us and Saigon, for more public pressures on us, or perhaps they simply cannot make up their mind. But I really have no clue to what the policy decisions were.

Q. Dr. Kissinger, from your account one would conclude that the talks are now ended in terms of the series you completed. Is that true? Secondly, if it is not true, on what basis will they be resumed?

Dr. Kissinger: We do not consider the talks completed. We believe that it would be a relatively simple matter to conclude the agreement, because many of the issues that I mentioned in the press conference of October 26 have either been settled or substantial progress toward settling them has been made.

Therefore, if there were a determination to reach an agreement, it could be reached relatively quickly. On the other hand, the possibilities of raising technical objections are endless.

So, as Le Duc Tho said yesterday, we would remain in contact through messages. We can then decide whether or when to meet again. I expect that we will meet again, but we have to meet in an atmosphere that is worthy of the seriousness of the endeavor. On that basis, as far as we are concerned, the settlement will be very rapid.

Q. Dr. Kissinger, you have not discussed at all the proposals that the United States made on behalf of Saigon which required changes in the existing agreement that was negotiated. Can you discuss what those were and what effect they had on stimulating

Hanoi, if they did, to making counterproposals of its own?

Dr. Kissinger: As I pointed out, there were two categories of objections on the part of Saigon, objections which we agreed with and objections which we did not agree with. The objections that we agreed with are essentially contained in the list that I presented at the beginning and those were the ones we maintained. All of those, we believe, did not represent changes in the agreement, but either clarifications, removal of ambiguities, or spelling out the implementation of agreed positions.

In the first sequence of meetings between November 20 and November 26, most of those were, or many of those were, taken care of. So that we have literally, as I have pointed out before, been in the position where every day we thought it could and indeed almost had to be the last day.

The counterproposals that Hanoi has made were again in two categories. One set of changes that would have totally destroyed the balance of the agreement and which, in effect, withdrew the most significant concessions they had made. I did not mention those in my statement, because in the process of negotiation they tended to disappear. They tended to disappear from the agreement to reappear in understandings and then to disappear from understandings to reappear in protocols. But I suspect that they will, in time, after the nervous exhaustion of our technical experts, disappear from the protocols as well. So there were major counterproposals which we believe can be handled.

But then there were a whole series of technical counterproposals which were absolutely unending and which hinged on such profound questions as whether if you state an obligation in the future tense, you were therefore leaving open the question of when it would come into operation, and matters that reached the metaphysical at moments and which, as soon as one of them was settled, another one appeared, which made

one believe that one was not engaged in an effort to settle fundamental issues but in a delaying action for whatever reason.

Now, those issues can be settled any day that somebody decides to be serious. Now, it is clear that the interplay between Saigon and Hanoi is one of the complicating features of this negotiation, but the basic point that we want to make here is this:

We have had our difficulties in Saigon, but the obstacle to an agreement at this moment is not Saigon, because we do not have, as yet, an agreement that we can present to them. When that point is reached, the President has made clear that he will act on the basis of what he considers just; but he has also made clear that he does not want to end such a long war by bringing about a very short peace.

Q. Can a useful agreement be made operative without Saigon's signature?

Dr. Kissinger: Well, this is a question that has not yet had to be faced and which we hope will not have to be faced.

Q. For the agreement to be just, according to the President's terms, must there be substantial withdrawal of North Vietnamese troops from the South?

Dr. Kissinger: The question of North Vietnamese forces in the South has three elements: the presence of the forces now there, their future, and the general claim that North Viet-Nam may make with respect to its right to intervene constantly in the South.

With respect to the last question, we cannot accept the proposition that North Viet-Nam has a right of constant intervention in the South.

With respect to the first question, of the forces now in the South, the United States has made three cease-fire proposals since October 1970, all of them based on the de facto situation as it existed at the time of the cease-fire, all of them approved by the Government of South Viet-Nam. Therefore, we did not add that condition of withdrawal to our present proposal, which reflected

exactly the positions we had taken on January 25 and on May 8 of this year, both of which had been agreed to by the Government of the Republic of Viet-Nam.

We believe, however, that if the agreement that has been negotiated is implemented in good faith, that the problem of the forces will tend to lose its significance, or at least reduce significance, partly because of de facto withdrawals that could occur, and partly because if the provisions with respect to Laos, Cambodia, and no infiltration are maintained, the consequences in attrition will have to be obvious.

Q. Are we back to square one now, Dr. Kissinger, would you say?

Dr. Kissinger: No. We have an agreement that is 99 percent completed as far as the text of the agreement is concerned. We also have an agreement whose associated implementations are very simple to conclude if one takes the basic provisions of international supervision that are in the text of the agreement, provisions that happened to be spelled out in greater detail in the agreement than any other aspect, and therefore we are one decision away from a settlement.

Hanoi can settle this any day by an exchange of messages, after which there would be required a certain amount of work on the agreement, which is not very much, and some work in bringing the implementing instruments into being.

Q. Would you tell what that 1 percent is?

Dr. Kissinger: Well, you know, I have found I get into trouble when I give figures, so let me not insist on 1 percent. It is an agreement that is substantially completed, but I cannot go into that. But that alone is not the problem. The problem is as I have described it in my presentation.

Q. I am a little confused, Dr. Kissinger, as to whether what remains you would describe as fundamental or one of these technical problems, because you have ranged between the two and I am a little lost as to what is left.

Dr. Kissinger: The technical implementing instruments that they have presented are totally unacceptable, for the reasons which I gave. On the other hand, I cannot really believe that they are serious. What remains on the agreement itself is a fundamental point. It is, however, a point that had been accepted two weeks previously and later withdrawn. So we are not raising a new, fundamental point. We are raising the acceptance of something that had once been accepted.

Q. Is it a political issue?

Dr. Kissinger: I really don't want to go into it.

Q. What is the future of the Paris peace talks?

Dr. Kissinger: I think that the sort of discussions that have been going on in the Paris peace talks are not affected by such temporary ups and downs as the private peace talks, so I am sure that Minister Xuan Thuy and Ambassador [William J.] Porter will find many subjects for mutual recrimination. [Laughter.]

Q. Dr. Kissinger, isn't the fundamental point the one you raised about the right of North Vietnamese forces to intervene in the future in South Viet-Nam?

Dr. Kissinger: I will not go into the substance of the negotiations.

Q. Dr. Kissinger, you already mentioned a fundamental disagreement in which you say it is the U.S. insistence that the two parts of Viet-Nam should live in peace with each other. Is that not the fundamental disagreement here?

Dr. Kissinger: As I said, I will not go into the details. I cannot consider it an extremely onerous demand to say that the parties of a peace settlement should live in peace with one another, and we cannot make a settlement which brings peace to North Viet-Nam and maintains the war in South Viet-Nam.

Q. But isn't their position basically that Viet-Nam is one country and that this peace agreement is supposed to ratify that point?

Dr. Kissinger: As I said, I will not go into the substance of the discussions, and I repeat: The issue that remained when we sent General Haig home is one that had already been agreed upon once, so it could not have been something that happened by oversight.

Q. Dr. Kissinger, was Hanoi messaged ahead of time that you would talk to us?

Dr. Kissinger: No. But I suspect you will get that message to them very quickly.

Q. Was there any understanding in Paris before you left that each side would be free to express itself without damaging the possibility of future talks?

Dr. Kissinger: No. Le Duc Tho correctly stated our agreement at the airport: that we would not go into the substance of the talks. Now, I recognize that what I am doing here goes to the edge of that understanding—[laughter]—but the President felt that we could not permit a situation to continue in which there was daily speculation as to something that was already accomplished, while the record was so clearly contrary; therefore, we owed you an explanation not of the particular issues, but of the progress of negotiations, and exactly where they stood.

Q. Dr. Kissinger, I am not quite clear on a technical point. You talked about agreements, understandings, and protocols. Are there in fact three different sets of documents under negotiation? What are these understandings?

Dr. Kissinger: There are agreements, understandings, and protocols. It always happens in a negotiation that there is some discussion which is not part of the agreement which attempts to explain what specific provisions mean and how they are going to be interpreted. This is what I meant by understanding. The protocols are the instruments that bring into being the international machinery and prisoner release. Their function is usually, in fact always, a purely technical implementation of provisions of an agreement.

These protocols do not, as a general rule,

raise new issues, but rather they say, for example, with respect to prisoners, if the prisoners are to be released in 60 days, they would spell out the staging, the points at which they are released, who can receive them, and so forth.

Similarly with respect to international machinery, they would say where are the teams located, what are their functions, and so forth. Our concern is that the protocols, as we now have them, raise both political issues, which are inappropriate to implementing protocols, and technical issues, which are inconsistent with international supervision.

We have other protocols that deal with prisoners and withdrawals and mining that also present problems, but which I don't mention here because those are normal technical discussions that you would expect in the course of an agreement.

The press: Thank you.

171st Plenary Session on Viet-Nam Held at Paris

Following are remarks by Heyward Isham, deputy head of the U.S. delegation, prepared for delivery at the 171st plenary session of the meetings on Viet-Nam at Paris on December 21.¹

Press release 314 dated December 21

Ladies and gentlemen: Since we expect this to be the final meeting of 1972, it is perhaps useful to review the course of events of the past year in order to see where we stand in relation to a negotiated settlement of the Viet-Nam conflict.

In the light of the private consultations which had taken place in 1971, there was hope, just over a year ago, that further head-

way might be made on the basis of our responses to the nine points which you had submitted. Our points corresponded in sequence and subject matter to the nine points, while remaining consistent with the principles of settlement which we had always set forth. Nevertheless, you did not take the opportunity, refusing further discussion of our proposals. Instead, you undertook massive preparations for the offensive launched at the end of March 1972.

That offensive, crossing in force the demilitarized zone and using a wide range of modern weapons, including tanks and long-range artillery, inflicted heavy loss of life and material damage on South Viet-Nam; but it failed to achieve its objectives. Both the armed forces and the citizens of South Viet-Nam organized in self-defense fought gallantly against that invasion, and with appropriate assistance from the United States and allied forces halted the assault on all fronts. Once again, your decision to seek total military victory rather than a fair negotiated settlement led only to further suffering inflicted upon the people of both South and North Viet-Nam. Once again, the predominance of fighting in your "talk-fight" strategy undermined efforts to develop a constructive negotiating dialogue.

There were signs in the summer of this year, as the full extent of the failure of this military attack became evident, that you were reconsidering your position. But it was not until October 8 that you finally came to adopt an approach that was consistent with the principles enunciated by President Nixon on May 8 so that progress toward a settlement could be facilitated. Once this approach had been taken, intensive discussions resulted and substantial progress was rapidly achieved. Prospects for an early peace seemed promising. At the same time, certain provisions of the draft agreement required clarification to avoid ambiguities and imprecise language which could obstruct the implementation of an agreement from the start and which could provide the seeds for unending disputes and another eruption

¹ The North Vietnamese and Provisional Revolutionary Government delegates, who spoke first, left the meeting immediately after delivering their remarks.

of war. A further series of discussions was therefore required.

In the most recent phase of these discussions, however, your position unaccountably became more intransigent, and areas on which we thought there had been agreement once more became unresolved. Progress made in November seemed to be reversed as you withdrew language already agreed and introduced new complications.

We must therefore record that as the year draws to an end we have not reached agreement. The responsibility for this state of affairs rests entirely on your side. The record will show that our efforts to resolve the remaining points in dispute were serious, sustained, and intensive. We have spared no effort to search for ways to reach an equitable compromise of remaining differences. But unless you are prepared to make the decision to bring peace on an honorable basis to South Viet-Nam, it is difficult to see how further progress can be made.

I remind you now of the principles which we have always maintained should be at the heart of any settlement:

—An unconditional release of American prisoners throughout Indochina;

—An Indochina-wide cease-fire appropriate to each of the respective countries of the region and under international supervision;

—Complete withdrawal of U.S. forces within a mutually agreed period;

—No prejudgment of the political future of South Viet-Nam and no imposition of any particular political solution in South Viet-Nam by either side.

These principles, of course, are not new to you; in fact, they are incorporated in the draft agreement which was negotiated with you. You are also aware of the progress that was made in November toward making the clarifications in the draft agreement we thought necessary to insure the viability of that agreement. What is required now is only the decision on your part to maintain the provisions that had been accepted. We remain determined to reach an agreement on the basis of these mutually advantageous

principles. The responsibility is now yours to make the decision which will permit us to conclude an agreement that is just and durable.

President Hails Action To Bring Intelsat Agreements Into Force

With the deposit of Jamaica's instrument of accession on December 14, 54 member countries of the International Telecommunications Satellite Organization had completed action necessary to bring the definitive agreements for Intelsat into force February 12, 1973. Following is a statement by President Nixon issued on December 15.

White House press release dated December 15

I note with special satisfaction today that the number of ratifications necessary to bring the Intelsat definitive agreements into force has been fulfilled. This marks an historic milestone in international communications, with consequences ranging far into the future. All of the partner-members can take great satisfaction from the progress of this unique multinational venture for the peaceful use of outer space.

With its volume of traffic constantly increasing and with more new earth stations being inaugurated each year, the global communications satellite system is helping to bring the peoples of the world closer together. It is our hope that the closing of communications gaps will greatly enhance understanding among nations.

We can now look forward to the day when nations around the world will be linked together for instantaneous communications. The implications of this development are enormous, presaging improved international relations in the political, economic, cultural, and scientific spheres.

I am pleased to congratulate the partner-members of Intelsat and to express my confidence in the continued growth and expanding usefulness of this system.

U.N. Adopts U.S. Proposal on Scale of Assessments

Following are statements by Senator Gale W. McGee, U.S. Representative to the U.N. General Assembly, made in Committee V (Administrative and Budgetary) on November 16 and 29 and in plenary on December 13, together with the text of a resolution adopted by the committee on December 1 and by the Assembly on December 13.

STATEMENTS BY SENATOR MCGEE

Committee V, November 16

USUN press release 136 dated November 16

Some members of the committee who have not attended sessions in prior years may have the impression that the appearance of a U.S. Senator in this committee is rather unusual and suggests that the United States intends to present a significantly new position or to announce a shift in attitude with respect to the financing of U.N. activities. To those who may have some such thought, I wish to point out that ever since the first session of the United Nations in 1946 it has been customary practice for the United States to be represented in this committee on important administrative, management, and financial questions by Members of the U.S. Congress, either Members of the Senate or of the House of Representatives. The first U.S. Representative to the Fifth Committee in 1946 was Senator Arthur Vandenberg, whom we consider to be one of the founding fathers of the U.N. In subsequent years the United States has been represented in this committee by other distinguished members of the Congress, including many whose names are well known to you today.

Just as the presence of a U.S. Senator in this committee is not new, it is equally true

that the position which I will present to the committee today is not new. It is the same position as was set forth by Senator Vandenberg in this committee in 1946, when the organization was only a year old and the enthusiasm for the U.N. in this country was certainly at a peak. It is the same position that was announced at last year's General Assembly by Representative Derwinski on behalf of the U.S. delegation.

I have made these points because I have found in the course of consultations with other delegates that there exists in some quarters the belief that the proposal I am introducing today in document A/C.5/L.1091 represents a shift in U.S. policy, reflecting a diminution of interest in and support for the organization. I wish to assure you at the outset that this is not the case and that the position I am presenting today represents the consistently held view of the United States since the U.N. was founded. It is aimed not at weakening but rather at strengthening the United Nations as an institution and its varied operations and important programs.

What I am proposing is that the contribution of the maximum contributor to the assessed administrative budget of the U.N. should be fixed at a level no higher than 25 percent. I wish to emphasize that my proposal relates only to assessed contributions to the regular budget of the organization and does not relate to the voluntarily financed operational programs of the U.N. This proposal is identical with that made by Senator Vandenberg in 1946. I have copies of Senator Vandenberg's statement available for those who would like to read what was said on that occasion.

Before dealing with the details of our

specific proposal, it might be useful to mention briefly what happened in 1946 with respect to Senator Vandenberg's proposal and what the subsequent history of the U.S. assessment rate has been.

In 1946 the Committee on Contributions proposed to this committee that the U.S. assessment percentage be fixed arbitrarily at just below 50 percent; namely, at 49.89 percent. The U.S. Representative (Senator Vandenberg) contested this percentage on grounds of principle, and a special committee was established to consider the matter. In the course of that consideration, Senator Vandenberg took the position that, although in principle no member state should pay more than 25 percent of U.N. administrative expenses, the United States recognized that abnormal situations existed immediately after the war and that accordingly the U.S. delegation was prepared to urge the Congress to accept a temporary allocation to be assumed by the United States of about one-third of the administrative budget. The committee eventually compromised on a U.S. assessment percentage of 39.89 percent.

This decision by the Assembly in 1946 represented an acceptance of the principle that significant disproportions in assessment rates are not appropriate to an organization of sovereign and equal states. Meanwhile, the United States accepted this rate on an interim basis but made it clear that the United Nations should steadily work its way toward the 25 percent ceiling level.

Accordingly, in 1948 the General Assembly recognized in its resolution on the scale of assessments that "in normal times" the maximum annual contribution of any one member state should not exceed one-third of the ordinary expenses of the U.N. However, this principle was not implemented until 1952, when the Assembly decided that from January 1, 1954, the contribution of the highest contributor should not exceed 33.33 percent.

In the 1955-57 period a new element entered the picture. For the first time there was a sizable increase in the membership

of the organization—22 new member states were admitted during that period. As a result, the Assembly decided in 1957 that "in principle, the maximum contribution of any one Member State to the ordinary expenses of the United Nations should not exceed 30 percent of the total." This action by the Assembly was a recognition of the fact that in an organization of this kind the size of the membership is an important factor to be considered in determining what the range of assessment rates should be. Thus, the United Nations, in its first decade, took two specific steps toward adjusting to the 25 percent ceiling principle, the first in 1952 when the Assembly determined that as of 1954 the ceiling should be 33.33 percent, and the second step in 1957 when the ceiling was adjusted to 30 percent.

This brings us to the present period, and we find several new factors to be considered. First of all, although the Assembly decided in 1957 that no one member state, in principle, should pay more than 30 percent of the assessed budget, the United States is still assessed at 31.52 percent, a reduction of only 1.81 percentage points in 15 years. This fact is well known to the American people and to the American Congress. Twenty-six years have passed since Senator Vandenberg's proposal, and this long wait has understandably resulted in a certain degree of impatience and a determination to get on with the job by persuading the Assembly to complete the reduction of the U.S. percentage to the original goal of 25 percent.

This matter received public attention in the United States when it was studied by the President's Commission on the Twenty-fifth Anniversary of the United Nations, the so-called Lodge Commission, whose report was made on April 26, 1971.¹ That Commission, whose terms of reference included recom-

¹ Report of the President's Commission for the Observance of the Twenty-fifth Anniversary of the United Nations; for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402 (Stock Number 4000-0261; 60 cents). For an excerpt from the report, see BULLETIN of Aug. 2, 1971, p. 127.

mending measures for strengthening the participation of the United States in the U.N., concluded that a reduction in the U.S. assessment percentage to 25 percent of the organization's administrative expenses would assist in securing greater support from the American people for the United States to participate in the financing of other U.N. activities across the board. The Commission obviously believed that such a reduction would help maintain or even increase over time the very sizable U.S. contributions to voluntary programs of the U.N., those very programs which are most important to the developing countries—voluntary programs in which the U.S. percentage has far exceeded the ceiling percentage applicable to the regular budget.

The second important element in the picture this year is the fact that since 1957 the membership of the U.N. has increased from 82 states to 132 states; that is, there has been an increase of 50 member states. The same principle which motivated the Assembly in 1957 to reduce "in principle" the contribution of the maximum contributor from 33.33 percent to 30 percent—when 22 member states had been admitted—certainly suggests that a further and more substantial decrease should be made in the maximum percentage now that 50 additional member states have been admitted.

Further, with respect to the element of membership, the organization is just about reaching universality. It is anticipated that some very important states will become members within the very near future. The entry of these states will provide the last good opportunity to complete the reduction of the U.S. assessment percentage to 25 percent without increasing the assessment of other member states.

Now I would like to turn to the details of the U.S. proposal which is before you as a draft resolution (document A/C.5/L.1091). In doing so, I should like to thank those of you who have contributed advice and assistance to us in drafting this resolution. We have consulted widely with delegations

from all regions and with differing interests and have profited enormously from suggestions and language which have been incorporated into the text of our draft resolution.

You will note, first of all, that the format of this resolution is very similar to that adopted by the General Assembly in 1957, when it decided that the maximum contribution of any one member state should not exceed 30 percent of the total. In effect, the preambular paragraphs trace by reference the history of the ceiling principle and associated criteria from the inception of the United Nations up to the present time.

In section (a) of the operative paragraph, the U.S. draft resolution provides that the maximum contribution of any one member state to the ordinary expenses of the U.N. shall not exceed 25 percent of the total; it reaffirms the principle of the ceiling as one of the criteria to govern the work of the Committee on Contributions.

Section (b) of the operative paragraph provides a directive to the Committee on Contributions as to how the 25 percent ceiling on the contribution of any one member state is to be achieved. There are several important elements in this section, and I would like to discuss each in detail.

First of all, the Committee on Contributions is directed to implement the 25 percent ceiling as soon as practicable—I wish to repeat those words, "as soon as practicable"—in preparing the next scale of assessments and, if necessary, scales of assessment for future years. We believe that the circumstances which are likely to materialize by next year will, under the terms of this resolution, assure realization of the 25 percent ceiling in the scale of assessments commencing in 1974. However, since that could conceivably not be the case, we have provided that the 25 percent ceiling should then be implemented fully in subsequent scales of assessment as soon as practicable; that is, as soon as the necessary percentage points have become available for distribution.

Section (b) also spells out clearly to the

Committee on Contributions the method by which the new assessment ceiling is to be achieved. The reduction to 25 percent is to be accomplished by utilizing to the extent necessary: (1) The percentage contributions of any newly admitted member states immediately upon their admission, and (2) the normal triennial adjustment in the percentage contributions of member states resulting from relative growth in their national incomes.

It is our belief that there will be more than enough percentage points available when the new scale is formulated next year to permit the U.S. percentage to be reduced to 25 percent. We calculate that there will be some 12-13 percentage points available for distribution, and only 6.52 of these will be necessary to achieve the prescribed reduction. The balance of the points will, of course, be used to reduce the assessment rates of other members.

The final section (c) of the draft resolution is extremely important. It provides that "the percentage contribution of Member States shall not, in any case, be increased as a consequence of the present resolution."² Identical language was used in the 1957 resolution adopted by the General Assembly, which reduced in principle the percentage contribution of the maximum contributor to 30 percent. It means exactly what it says; namely, that no state will be assessed at a greater percentage rate than at present as a result of adoption of the U.S. resolution.

I wish to be quite candid about this point. It is true that, if the U.S. resolution is adopted and some of the percentage points which will be available for distribution in establishing the scale for 1974-76 are applied to reduce the U.S. contribution, these points will not be available to reduce the rates of assessment of other member states. However, as I pointed out earlier, it seems clear that additional percentage points will be available

to provide reductions for other members.

I hope it is perfectly clear that the adoption of the U.S. proposal cannot affect adversely the countries whose percentage assessment is 0.04 percent. Under the terms of section (c) of the operative paragraph, their percentages cannot be increased. Because they are assessed at a percentage rate which is at the floor of the scale, by definition they would not receive any reductions. Accordingly, they could not in any case benefit from the percentage points used to reduce the rate of assessment of the major contributor.

Several delegations appear to have some difficulty in interpreting the three inextricably linked sections of the operative paragraph of our draft resolution and have asked whether there will be a gap in the assessment scale, and as a result a deficit in the regular budget, if the measures provided for under section (b) do not produce sufficient percentage points to reduce the U.S. assessment rate. The answer is that there will be no gap. The U.S. assessment percentage can be reduced only to the extent that sufficient percentage points are available. If an adequate number of points is not available to permit a reduction to 25 percent, then the rate of assessment on the major contributor can be reduced under the U.S. proposal only according to that availability.

I now come, Mr. Chairman, to a most important aspect of this matter. In the course of our extensive consultations with other delegations, we have been asked on a number of occasions whether our proposal is indicative of a desire on the part of the U.S. Government to reduce its overall financial commitment to the United Nations system. I should like to say a word about the U.S. record in this respect. Even when the normal extra financing expected of a host government has been taken into account, our record is a proud one.

A significant measure of the importance which the United States attaches to the development of a strong, effective, and efficient United Nations system is our sustained

² On Nov. 29 the United States accepted an oral suggestion made by Hungary to include a reference to the specialized agencies in operative paragraph (c) of the draft resolution.

financial support of the organizations and programs within this system. Our support has been substantial from the inception of the United Nations; it has increased with the years. By the end of 1971, the contributions of the United States to that system amounted to over \$4.2 billion—or more than twice the total of all the regular budgets voted by this organization from 1946 through 1971. I cite this “track record” as hard evidence that the United States is not seeking the realization of a 25 percent ceiling rate of assessment for financial or economic reasons. Our reasons are those of principle.

Of our \$4.2 billion contribution, about \$1 billion represents assessed contributions to the U.N. and its specialized agencies. Almost \$3 billion of the total consisted of voluntary contributions to U.N. programs to aid economic and social development in the developing countries of the world and to provide help and assistance to peoples living under conditions of distress and disaster.

For example, through 1971 the United States has made available over \$860 million to the U.N. Development Program. Our support of the U.N. Children's Fund exceeds \$300 million, and private support by citizens of my country has added very substantially to this figure. During the same period, our contribution to the U.N.-FAO World Food Program was well over \$250 million, and over \$100 million was made available during 1971 alone for South Asian humanitarian assistance.

We do not wish to dwell on our financial contributions to the U.N. system. These, of course, do not include our extensive bilateral aid programs. Neither do they include our large contributions to the various development banks. We believe, however, that representatives of member states here today will agree that the United States has fully demonstrated its concern for the organizations and programs of the United Nations.

As I pointed out earlier, the proposal which I am introducing today does not relate to the overall financial commitment of the United States to U.N. activities. It does not

relate to our contributions to the voluntarily financed U.N. activities such as those concerned with economic and social development. It relates only to the U.S. percentage contribution to the U.N. regular budget.

I referred previously to the recommendation of the Lodge Commission that the U.S. percentage contribution to the regular budget should be reduced to 25 percent. In making that recommendation, the Commission stated explicitly that it was “in no way proposing any diminution of the overall commitment of U.S. resources to the UN system.” The Commission stated its belief that the United States should maintain, and if possible increase, its total contributions to the U.N. system. I think the Commission's belief is firmly grounded in the sentiment of the American people.

If the General Assembly, through its established procedures, approves the draft resolution we have just introduced, the Committee on Contributions next spring will recommend a scale of assessments which, if sufficient percentage points have become available, fixes the assessment rate of the maximum contributor at 25 percent. Next year's Assembly then will be asked to approve that scale and, if it does, the U.S. assessment rate will be established at the 25 percent level from January 1, 1974. The achievement of this objective 28 years after it had been announced by Senator Vandenberg will remove a serious concern which, particularly in recent years, has clearly had an adverse effect on the attitude of the American public toward the United Nations. I should add, Mr. Chairman, that were this concern not expunged, it is my considered opinion that it would cause damage to the interests of this important organization.

In conclusion, Mr. Chairman, let me say:

—We do not wish to reduce the traditional high level of the U.S. financial commitment to the activities of the United Nations;

—We believe that, given the present membership of this organization and the imminent admission of new members, no one

member state should be assessed more than 25 percent of the regular budget of the United Nations;

—We believe that the proposal we have tabled is fair to all member states;

—We believe that adoption by this General Assembly of the U.S. proposal will be in the best interest of the United Nations as an institution; it particularly will be in the best interest of those members who benefit most from the activities of the organization; and

—We are grateful to members of this committee for the thoughtful consideration they have already given to our proposal and hope that they will support the draft resolution introduced here today by my delegation.

Finally, Mr. Chairman, the U.S. delegation reserves the right to intervene further during the debate on agenda item 77.

Committee V, November 29

USUN press release 149/Corr. 1 dated November 30

I hesitated to intrude in the discussion on resolution A/C.5/L.1091, the U.S. proposal, because we still have not heard from some delegations. But in the process of the discussions in this committee, one question has emerged that looms larger than most of the others that have been thoughtfully posed here. And in this instance, an explanation in regard to the position of my delegation has been specifically requested.

We have discussed with a great many delegations in this room this morning the implications and the ramifications of the proposal to defer action on this question until next year or to refer the question to the Committee on Contributions when it deliberates next spring. Since this is a very thoughtful and a very understandable proposal, we felt that it was important to explain our position on it.

I think we ought to agree that the specialists and the experts of the Contributions Committee are not the masters of the Fifth Committee. They get instructions, as in most parliamentary bodies, from the members that make up those bodies. We

would therefore be going about our business in reverse if we were to try to duck this issue or delay action by dumping it into the laps of the Contributions Committee next spring. We believe that this committee ought to take its stand on what the instructions to the Contributions Committee should be, one way or the other. And for that reason we would reject the proposal that our resolution be referred for the judgment of the assessment group next year.

In that connection, Mr. Chairman, the observation has recurred again and again that the timing of the U.S. resolution is not propitious, that it comes at a very awkward moment. Well, we recognize that. But it is difficult for us to see when any time is a good time for this kind of an adjustment. Once you have been on a direction of policy for a very long period of time, it is easier not to adjust than to adjust. So that what we have come to grips with is: When is the least difficult time to face up to that question? We believe that now is the time, that we gain nothing and we risk much by seeking to defer it.

With the accession of so many new members to a body that now numbers 132, with only a few new members on the horizon, the organization is approaching the maximum total available. This suggests to my delegation that indeed the time has arrived to come to grips with this matter.

The prospect that the Contributions Committee, ultimately and almost certainly, will have access to new percentage points for allocating the quotas for member states suggests the importance of a decision now. That condition cannot go on and on, for the very simple reason that we are running out of new additions to the United Nations.

But we have taken care in our proposal to recommend that once the principle of a 25 percent ceiling is spelled out by the action of this committee and then by the General Assembly, its implementation should take place—I quote precisely from our resolution the phrase—“as soon as practicable.” That phrase takes cognizance of the fact that many,

events in the future cannot be fixed to a precise timetable for the convenience of legislative bodies or international organizations. And in our resolution we seek to be realists on that point as well.

Another of the factors that requires now as the time for the decision one way or the other has to do with some housekeeping matters within my own country. These have been mentioned here by several delegations.

We also have been consulted privately by many other delegations about the activities of recent months on the part of the Congress of the United States. I hesitate to open the doors of our domestic closets and have a look at what's in there on an occasion like this. Nevertheless I think, in the interest of candor and straightforwardness, perhaps that is called for.

As you know, one body of our Congress, the House of Representatives, in a moment of legislative fervor and activity, enacted a bill that would have imposed a 25 percent limit on the American contribution to the U.N.'s assessed budget effective last July 1. We believe that the House was ill advised, in fact, in some substantial ways, uninformed about procedures, about the structure and the requirements under the Charter of the United Nations.

I am moved to note here that the independence of a legislative body is not a unique province of the Congress of the United States. If we look at the arrearages of a great many member states in this organization, legislative impulses that seem to run against the grain of the principles in the Charter of the United Nations have often arisen around the world. And thus, in a sense, we all have shared that kind of an experience. My point here, however, is what we did after that small step was taken by the House. Well, the first thing we did was to reverse that action in the Senate. We did it only by explaining very carefully the procedures to which the Government of the United States is committed under the Charter of the United Nations and that a legislative body cannot determine the assess-

ment of its own government in the United Nations. That is the prerogative solely of the U.N. A legislative body can withhold payment, it can go into default or into arrears, but it cannot set the assessment rate.

Once the Senate had a chance to review this question, it rejected the House action; however, in that Senate process a time certain was placed on arriving at an assessment percentage. That time certain, as has been mentioned here in the debate several times, is January 1, 1974.

Now, I think there has been misunderstanding about why such a date was fixed even by the Senate. That date was fixed—I was there when it happened—because in attempting to understand the procedures of the United Nations, the Senate understood the role of the Contributions Committee and that its assessment scales were for three years, that the next assessment-formulating time would occur in the spring of 1973 when that committee would fix the new quotas beginning on January 1, 1974, for approval by the General Assembly.

The only reason that date was placed there was to conform with the established procedures of the United Nations. In an attempt to honor and respect that U.N. prerogative, my government proceeded through the White House, through the State Department, through the leadership in the Senate, and then the Congress as a whole to integrate its proposals and its expectations of whatever future adjustments were necessary with the prerogative of the U.N. alone to make that determination. That's the why of this specific legislation.

The upshot is that having complied in good faith with the provisions established under the U.N. Charter, it would pose very serious fallout consequences if that procedure were now to be delayed or deferred. This is not to say that the initiative of this committee to decide whether it chooses to defer or not is impaired. This only says that because of the good faith and the expectation that we were actually strengthening the decisionmaking prerogative of the

U.N. on assessment questions, that were this to be deferred it would create serious problems for my delegation in the understanding of U.N. processes in the United States.

Once more, I apologize for examining here today the interior workings of our system, but that examination, I think, would call up familiar images in many delegations present in this room. And so that is the third of a series of factors which we believe to require that members vote now, during this session of the General Assembly, on the question of the maximum assessment rate. That is why my delegation would feel obliged to oppose any proposal to defer or to refer it for further consideration.

The ceiling proposal put forth by my delegation has been thoroughly discussed, and for a very long time. We think its ramifications have been completely aired. There are no mysteries behind it. The consequences are even now measurable, and in fairly precise terms. And this proposal, if it were to be endorsed by this body, would represent the achievement, from the point of view of the United States, of a principle—an institutional principle—in relation to a ceiling limitation on the basic assessment for the regular budget of the United Nations.

We have stressed again and again that this is our only goal. There is positively no intention of seeking further ceiling adjustments. This was our concept at the very beginning of the organization. It is the concept toward which we have been systematically working through this committee, Mr. Chairman, and a concept which we believe can best be realized now rather than at some later date.

To underscore my delegation's position, if we were to have a vote on a motion to defer or refer this question, a vote to defer or refer would be a vote against the U.S. draft resolution.

I want to say, as I close, that my delegation appreciates the friendly spirit in which those who both agree and do not agree with our proposal have nonetheless consulted frankly with us. We also are grateful to

those who have participated up to this stage of the debate, for they have assisted in many ways in trying to make clear the issues present in this question.

Plenary, December 13

USUN press release 165 dated December 13

I want to take this moment in this afternoon's deliberations to thank all of the members, regardless of vote, for the open participation in the decision through the machinery of the United Nations for the resolution of this question.

My government believes that this is a constructive decision. We believe that it will strengthen the United Nations. Since its inception, the United Nations, we have felt, must be strong as an institution, rather than a chamber of commerce or a political gimmick. It must survive in its own right.

It is our conviction that by holding the ceiling of the largest contributor to 25 percent we strengthen the institutional character of this body. This is not new, for the United Nations has steadily through its history recognized the importance of taking action on a ceiling of the maximum contributor—in 1952, in 1957, and now in 1972. And likewise, we think it is important that the United Nations in this action has resisted the temptation to put it off again. Coming to grips with this issue has been delayed and the temptation to delay is understandable, but the credibility of this body has surely been reinforced by the willingness of the General Assembly to meet this issue head on now, whatever the outcome.

Finally, Mr. President, the integrity of the United Nations has been underscored in this action. The Congress of the United States has had almost as many views as speeches on the question. Congressmen are of many stripes, but one thing we resolved successfully this year in the Congress was that the Congress of the United States has no prerogative to determine the assessments in the United Nations regular budget. The Supreme Soviet does not have that prerogative. No legislative body in any sovereign

nation has that prerogative. That belongs alone to the United Nations, and that is why even the Congress, with all of its many flares of rhetoric, made the basic decision that this must proceed through the machinery and the mechanism of the General Assembly of the United Nations. All that Congress or a Supreme Soviet or a parliament or any other legislative group can do is to vote on whether to default or not. That is the only prerogative it has.

Therefore we believe that we have strengthened the character and the credibility and the integrity of the United Nations. And if there are those who, indeed, as we have heard suggested, propose corresponding action, I say the time is at hand to put our procedures where our rhetoric is, and that is to proceed by submitting the case to the United Nations, referring it to the Fifth Committee, laying it out for free and open debate by all of the delegates, and let this body make the decision, rather than impose it unilaterally.

I want to express on behalf of the President of the United States, and I do that as a member of the loyal opposition, and I want to extend on behalf of the American delegation here at the U.N., our deep appreciation for what this body has done today for the United Nations.

TEXT OF RESOLUTION³

The General Assembly,

Recalling its resolutions 14 (I) of 13 February 1946, 238 (III) of 18 November 1948, 665 (VII) of 5 December 1952 and 1137 (XII) of 14 October 1957, relating to the apportionment of the expenses of the United Nations among its Members and the fixing of the maximum contribution of any one Member State,

Affirming that the capacity of Member States to contribute towards the payment of the ordinary expenses of the United Nations is a fundamental criterion on which scales of assessment are based,

³ U.N. doc. A/RES/2961 B; adopted by the Assembly on Dec. 13 by a rollecall vote of 81 (U.S.) to 27, with 22 abstentions. The Legal Counsel of the United Nations had made a statement according to which the draft resolutions before the Assembly required a two-thirds majority.

Noting that, when it was decided by the General Assembly in 1957 that, in principle, the maximum contribution of any one Member State to the ordinary expenses of the United Nations should not exceed 30 per cent of the total, the United Nations consisted of 82 Member States,

Noting further that, since the General Assembly decision of 1957, 50 States have been admitted to membership in the United Nations,

Recalling that, since the General Assembly decision of 1957, there has been a reduction in the percentage contribution of the State paying the maximum contribution from 33.33 per cent to 31.52 per cent,

Decides that:

(a) As a matter of principle, the maximum contribution of any one Member State to the ordinary expenses of the United Nations shall not exceed 25 per cent of the total;

(b) In preparing scales of assessment for future years, the Committee on Contributions shall implement subparagraph (a) above as soon as practicable so as to reduce to 25 per cent the percentage contribution of the Member State paying the maximum contribution, utilizing for this purpose to the extent necessary:

(i) The percentage contributions of any newly admitted Member States immediately upon their admission; and

(ii) The normal triennial increase in the percentage contributions of Member States resulting from increases in their national incomes;

(c) Notwithstanding subparagraph (b) above, the percentage contribution of Member States shall not in any case in the United Nations, the specialized agencies or the International Atomic Energy Agency be increased as a consequence of the present resolution.

DEPARTMENT AND FOREIGN SERVICE

Recess Appointments

President Nixon on December 2 granted the following recess appointments:

Richard T. Davies to be Ambassador to Poland.
Melvin L. Manfull to be Ambassador to Liberia.

Cleo A. Noel, Jr., to be Ambassador to the Democratic Republic of the Sudan.

TREATY INFORMATION

Current Actions

MULTILATERAL

Aviation

Convention for the suppression of unlawful seizure of aircraft. Done at The Hague December 16, 1970. Entered into force October 14, 1971. TIAS 7192.

Accessions deposited: Guyana, Malawi (with a reservation), December 21, 1972.

Convention for the suppression of unlawful acts against the safety of civil aviation. Done at Montreal September 23, 1971.¹

Signature: Nicaragua, December 22, 1972.

Accessions deposited: Guyana, Malawi (with a reservation), December 21, 1972.

Load Lines

International convention on load lines, 1966. Done at London April 5, 1966. Entered into force July 21, 1968. TIAS 6331, 6629, 6720.

Accession deposited: Fiji, November 29, 1972.

Maritime Matters

Convention on facilitation of international maritime traffic, with annex. Done at London April 9, 1965. Entered into force March 5, 1967; for the United States May 16, 1967. TIAS 6251.

Accession deposited: Fiji, November 29, 1972.

Narcotic Drugs

Single convention on narcotic drugs, 1961. Done at New York March 30, 1961. Entered into force December 13, 1964; for the United States June 24, 1967. TIAS 6298.

Ratification deposited: Luxembourg, October 27, 1972.

Satellite Communications System

Agreement relating to the International Telecommunications Satellite Organization (Intelsat), with annexes. Done at Washington August 20, 1971. Enters into force February 12, 1973.

Ratifications deposited: Algeria (with a declaration), Peru, December 19, 1972; Brazil, Guatemala, Mexico, December 20, 1972.

Notification of provisional application: Finland, December 15, 1972.

Operating agreement relating to the International Telecommunications Satellite Organization (Intelsat), with annex. Done at Washington August 20, 1971. Enters into force February 12, 1973.

Notification of provisional application: Finland, December 15, 1972.

Tonnage Measurement

International convention on tonnage measurement of ships, 1969, with annexes. Done at London June 23, 1969.¹

Accession deposited: Fiji, November 29, 1972.

BILATERAL

Argentina

Agreement suspending article 17 of the Air Force Mission agreement of October 3, 1956, as amended (TIAS 3652, 4363). Effected by exchange of notes at Buenos Aires November 27, 1972. Entered into force November 27, 1972.

Fiji

Agreement continuing in force between the United States and Fiji the consular convention of June 6, 1951, between the United States and the United Kingdom. Effected by exchange of notes at Suva and Washington October 16 and December 12, 1972. Entered into force December 12, 1972.

Italy

Agreement extending the agreement of June 19, 1967 (TIAS 6280), for a cooperative program in science. Effected by exchange of notes at Rome December 11, 1972. Entered into force December 11, 1972.

Japan

Agreement regarding the king and tanner crab fisheries in the eastern Bering Sea, with appendix, agreed minutes, and related note. Effected by exchange of notes at Washington December 20, 1972. Entered into force December 20, 1972.

Agreement regarding the king and tanner crab fisheries in the eastern Bering Sea, with agreed minutes. Effected by exchange of notes at Tokyo December 11, 1970. Entered into force December 11, 1970. TIAS 7019.

Terminated: December 20, 1972.

Agreement relating to salmon fishing in waters contiguous to the U.S. territorial sea, with agreed minutes. Effected by exchange of notes at Washington December 20, 1972. Entered into force December 20, 1972.

Agreement relating to salmon fishing in waters contiguous to the U.S. territorial sea, with agreed minutes. Effected by exchange of notes at Tokyo December 11, 1970. Entered into force December 11, 1970. TIAS 7020.

Terminated: December 20, 1972.

Agreement concerning fisheries off the coast of the United States, with related note and agreed minutes. Effected by exchange of notes at Washington December 20, 1972. Entered into force December 20, 1972; effective January 1, 1973.

¹ Not in force.

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Press Releases: December 18-24

Press releases may be obtained from the Office of Press Relations, Department of State, Washington, D.C. 20520.

No.	Date	Subject
†311	12/18	Rogers: statement on nomination of John Scali as U.S. Representative to the U.N.
†312	12/19	Libyan passport request.
*313	12/19	Davies sworn in as Ambassador to Poland (biographic data).
314	12/21	Isham: 171st plenary session on Viet-Nam at Paris.
†315	12/22	New arrangements for monetary cooperation in the OECD.
†316	12/22	Rogers: statement on nomination of John Irwin II as Ambassador to France.
†317	12/22	U.S.-Portugal agreements on trade in textiles between Macao and the U.S. (rewrite).

* Not printed.

† Held for a later issue of the BULLETIN.

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THE DEPARTMENT OF STATE BULLETIN

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THE DEPARTMENT OF STATE BULLETIN

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The Department of State BULLETIN, a weekly publication issued by the Office of Media Services, Bureau of Public Affairs, provides the public and interested agencies of the government with information on developments in the field of U.S. foreign relations and on the work of the Department and the Foreign Service.

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U.N. General Assembly Establishes Machinery for International Environmental Cooperation

Following is a statement by Senator Gale W. McGee, U.S. Representative to the U.N. General Assembly, made in Committee II (Economic and Financial) on October 20, together with the texts of three resolutions adopted by the Assembly on December 15.

STATEMENT BY SENATOR McGEE

USUN press release 123 dated October 20

A major task, a historic opportunity, confronts us at this General Assembly. The world has identified a most serious problem afflicting mankind throughout the world: the already existing and continuously growing grave threat of environmental degradation. Now that this threat to the human environment has been recognized, the international community, through concerted action in the United Nations, must take action to deal with it.

We can take some satisfaction from our international cooperative efforts to date. The Stockholm Conference on the Human Environment was a distinct success.¹ That achievement was not an accident. Nor did it come easily. It resulted from careful, thorough, and sharply focused preparations, from effective organization of the conference, and from the good will, serious purpose, and cooperative spirit of participating governments with different views on many subjects.

No small part of the success of the Stock-

holm Conference was attributable to the outstanding performance of its Secretary General, Mr. Maurice Strong, both during the many months of diligent preparatory work and during the conference itself. Also, tribute must be paid to the steadfast devotion of the Government of Sweden to the noble purpose of the conference and to their efforts in arranging it so successfully.

It is fitting to pay tribute to this past success. But we must recognize that it is only a small step on the way to accomplishing our goals. The commonality of interest forged at Stockholm allows us to proceed further in the articulation of a shared concern, and it obliges us to do something about it. We must begin, at this General Assembly, with the establishment of well-designed machinery within the structure of the U.N. to focus and coordinate international efforts to deal with the problems of the human environment.

In this respect the Stockholm Conference has given us specific guidance. It presented us with an excellent plan for institutional and financial arrangements. This we hope will be endorsed unanimously by the 27th General Assembly.

As a historian, I have been interested in my government's involvement over the years with this question at the United Nations. In December 1968, the U.S. Representative to the United Nations, Ambassador James Russell Wiggins, pledged support, along with 49 other cosponsors, to a resolution initiated by Sweden calling for the convening of an international conference on the human environment no later than 1972. At that time Ambassador Wiggins noted the large number

¹ For background and texts of the resolution on institutional arrangements adopted at Stockholm on June 15 and the Declaration on the Human Environment adopted on June 16, see BULLETIN of July 24, 1972, p. 105.

of both industrialized and developing countries which cosponsored the resolution, showing the then growing awareness throughout the world of environmental problems. The participation of 113 developing and developed countries alike in the Stockholm Conference certainly gave evidence of this widespread interest and concern.

In September 1969, while addressing the General Assembly of the United Nations, President Nixon reaffirmed the U.S. Government's total commitment to the idea of an international conference. He stressed that the protection of man's environment is of international concern, and he expressed the hope that the United States and other countries would be able to launch both national and international initiatives designed to improve the environment so that the world will be a healthy and happy place for man.

At the same time, the United States took major steps nationally to establish governmental machinery to deal with environmental questions. Under the National Environmental Policy Act of 1969 we centralized within the Federal Government major responsibility for coping with environmental problems. We have also attempted to do so in the international field by establishing within the Department of State an Office of Environmental Affairs to coordinate U.S. efforts and activities with those of other countries. We have been paying considerable attention as a government to environmental problems in the United States, while strengthening our machinery for dealing with them at an international level.

Mr. Chairman, my government joined with many others in playing an active role and contributing toward the success at Stockholm. The success indeed is a tribute essentially to properly functioning international cooperation. Through long, arduous, and sometimes agonizing negotiations, 113 governments arrived at a consensus dealing with institutional arrangements, with a declaration covering 26 principles, and with an

action plan containing 109 specific proposals for a work program. These accomplishments themselves testify to the success of the Stockholm Conference. But most important, they give evidence of the good will of governments throughout the world to deal with this subject as an international problem concerning the whole of mankind. The process of negotiation itself both before and at Stockholm contributed greatly to exposure of problems and understanding of different points of view. It augurs well for the future that United Nations work, and international cooperative efforts in this field can build on this successful experience of joint consideration and of common resolve so clearly enunciated by the international community at Stockholm.

The spirit of Stockholm is already appearing in various ways. In the case of my government, it orbited its first experimental Earth Resources Technology Satellite on July 23, 1972. In a press release dated July 26, Ambassador Bush announced that 94 experiments conducted in cooperation with principal investigators from 34 countries and two international organizations will make use of data acquired by the satellite. Results of the satellite's experiments will be made available to the international public as an important early step in the "Earthwatch" program of the action plan. As envisioned by the United Nations Conference on the Human Environment, some 80 nations will meet beginning on October 31, 1972, to try to complete work on a convention to bar ocean dumping.

Another significant development in international cooperation is the recent agreement between the scientific academies of 12 countries to set up a joint "think tank" to seek solutions to various problems caused by the increasing industrialization of the world. This East-West Institute, to be located in Austria, will have nongovernmental representatives from the leading scientific organizations of major industrial countries. The Institute expects to have about 100 scholars from the East and West as well as from the

Third World studying environmental problems, such as pollution control and the use of the world's energy resources.

The spirit of international cooperation in the field of environment has also shown itself in two bilateral environmental agreements between the United States and Canada and the United States and the Soviet Union. These agreements were in the planning stage long before the Stockholm Conference was held. However, I feel that the positive influence of the conference in focusing world attention on environmental problems helped toward completion of these bilateral agreements.

These are the first of what will be many positive steps that we and other countries must take along the difficult road in a worldwide concerted program of environmental preservation and protection.

Having recognized with some alarm the physical degradation of this planet, having set in place a useful framework of international cooperation, we must now get on with the urgent job at hand. The international community must establish effective machinery within the U.N. to enable us to apply our best collective efforts to environmental problems. Even though we don't yet have the answers to all the problems, we believe it is necessary to set up the best possible machinery within the U.N. to try and find some of these answers.

My delegation believes that the Stockholm resolution on institutional and financial arrangements provides us with an excellent plan for this purpose. We support the recommendation for a 54-member Governing Council, with an equitable geographical composition, as the intergovernmental body to provide general policy guidance for the direction and coordination of environmental programs in the U.N. system. We also support the establishment of a small, highly professional, and very effective secretariat to be established within the U.N. in support of the Council. We attach considerable importance to the central role of coordination within the U.N. system to be played by the

Executive Director in charge of the new secretariat, who will also serve as chairman of the interagency Environmental Coordinating Board. To be effective, the membership of the Environmental Coordinating Board must be at the highest level, as proposed yesterday by the distinguished delegate from Iran. In this connection we were very much encouraged by, and we welcomed, the pledges of support and mutual interest expressed by the heads of the specialized agencies at the meeting of the joint ACC/CPC [Administrative Committee on Coordination; Committee for Program and Coordination] last June just following the Stockholm Conference.

An important part of the institutional arrangements to which we attach great importance is the proposal to establish an Environment Fund. President Nixon, in his February 1972 message to Congress, suggested that a voluntary environmental fund of \$100 million be set up for the first five years. Secretary of State Rogers in June of 1972 announced that the United States "is prepared to contribute up to \$40 million to match the \$60 million which we hope others will donate." Several other countries have officially made pledges of support. Other countries at Stockholm mentioned their intention to make a contribution to the Fund. My government hopes that these countries, as well as others, will be prepared to indicate their pledges to the Environment Fund at this session of the General Assembly.

Finally, Mr. Chairman, I wish to give formal support of my delegation to the two resolutions so ably introduced by the distinguished delegate of Sweden. The first resolution deals with institutional arrangements. The second resolution before this committee draws the attention of governments and the Governing Council to the declaration, refers the action plan to the Governing Council for further study, and proposes that June 5 be designated as "World Environment Day." My delegation is pleased to cosponsor both of these resolutions. In effect they endorse the successful

results of the Stockholm Conference. We hope they will be approved unanimously by this committee and by the plenary of this General Assembly.

We are pleased that agreement has been reached on an issue for which there was no time at Stockholm to reach a consensus, and here I am referring to resolution A/C.2/L.1227, cosponsored by the Governments of Argentina and Brazil and a number of other delegations. In that connection may I add that we have noted the observations of the distinguished Representative of Brazil, in referring to a resolution cited in the preamble, and we note with satisfaction that a number of questions under contention a year ago have in the meantime been resolved and have been superseded by the agreements reached at Stockholm. We fully support this resolution.

In summary, my delegation fully supports the results of the Stockholm Conference, its recommendations for institutional and financial arrangements, its declaration, and its action plan. We trust that this new effort in the United Nations, which inevitably will face the most difficult operational challenges, will be launched with little controversy and with enthusiastic support at this General Assembly. This endeavor goes far beyond the question of dealing with the human environment and is a milestone in the international effort of peaceful cooperation among nations.

TEXTS OF RESOLUTIONS

General Assembly Resolution 2994²

*United Nations Conference on the
Human Environment*

The General Assembly,

Reaffirming the responsibility of the international community to take action to preserve and enhance the human environment and, in particular, the need for continuous international co-operation to this end,

Recalling its resolutions 2398 (XXIII) of 3 December 1968, 2581 (XXIV) of 15 December 1969,

² Adopted by the Assembly on Dec. 15 by a vote of 112 (U.S.) to 0, with 10 abstentions.

2657 (XXV) of 7 December 1970, 2849 (XXVI) and 2850 (XXVI) of 20 December 1971.

Having considered the report of the United Nations Conference on the Human Environment³ and the report of the Secretary-General thereon,⁴

Expressing its satisfaction that the Conference and its preparatory committee succeeded in focusing the attention of Governments and public opinion on the need for prompt action in the field of the human environment,

1. Takes note with satisfaction of the report of the United Nations Conference on the Human Environment;

2. Draws the attention of Governments and the Governing Council for Environmental Programmes to the Declaration of the United Nations Conference on the Human Environment and refers the Action Plan for the Human Environment to the Governing Council for appropriate action;

3. Draws the attention of Governments to the recommendations for action at the national level referred to them by the Conference for their consideration and such action as they might deem appropriate;

4. Designates 5 June as World Environment Day and urges Governments and the organizations in the United Nations system to undertake on that day every year world-wide activities reaffirming their concern for the preservation and enhancement of the human environment, with a view to deepening environmental awareness and to pursuing the determination expressed at the Conference;

5. Takes note with appreciation of the resolution adopted by the Conference on the convening of a second United Nations Conference on the Human Environment and refers this matter to the Governing Council for Environmental Programmes with the request that the Council study this matter, taking into account the status of implementation of the Action Plan and future developments in the field of the human environment and report its views and recommendations to the General Assembly so that the Assembly can take a decision on all the aspects of the matter not later than at its twenty-ninth session.

General Assembly Resolution 2995⁵

*Co-operation between States
in the field of the human environment*

The General Assembly,

Having considered the text of principle 20

³ U.N. doc. A/CONF.48/14 and Corr. 1. [Footnote in original.]

⁴ U.N. doc. A/8788 and Add. 1. Add. 1/Corr. 1, and Add. 2. [Footnote in original.]

⁵ Adopted by the Assembly on Dec. 15 by a vote of 115 (U.S.) to 0, with 10 abstentions (draft resolution A/C.2/L.1227).

of the Declaration of the United Nations Conference on the Human Environment referred to it for consideration by the United Nations Conference on the Human Environment.

Recalling its resolution 2849 (XXVI) of 20 December 1971 on development and environment,

Bearing in mind that, in exercising their sovereignty over their natural resources, States must seek, through effective bilateral and multilateral co-operation or through regional machinery, to preserve and improve the environment,

1. *Emphasizes* that, in the exploration, exploitation and development of their natural resources, States must not produce significant harmful effects in zones situated outside their national jurisdiction;

2. *Recognizes* that co-operation between States in the field of the environment, including co-operation towards the implementation of principles 21 and 22 of the Declaration of the United Nations Conference on the Human Environment, will be effectively achieved if official and public knowledge is provided of the technical data relating to the work to be carried out by States within their national jurisdiction with a view to avoiding significant harm that may occur in the human environment of the adjacent area;

3. *Recognizes further* that the technical data referred to in paragraph 2 above will be given and received in the best spirit of co-operation and good neighbourliness, without this being construed as enabling each State to delay or impede the programmes and projects of exploration, exploitation and development of the natural resources of the States in whose territories such programmes and projects are carried out.

General Assembly Resolution 2997^a

Institutional and financial arrangements for international environmental co-operation

The General Assembly,

Convinced of the need for prompt and effective implementation by Governments and the international community of measures designed to safeguard and enhance the human environment for the benefit of present and future generations of man,

Recognizing that responsibility for action to protect and enhance the human environment rests primarily with Governments and, in the first instance, can be exercised more effectively at the national and regional levels,

Recognizing further that environmental problems of broad international significance fall within the competence of the United Nations system,

Bearing in mind that international co-operative programmes in the environment field must be undertaken with due respect to the sovereign rights of

States and in conformity with the Charter of the United Nations and principles of international law,

Mindful of the sectoral responsibilities of the organizations of the United Nations system,

Conscious of the significance of regional and sub-regional co-operation in the field of the human environment and of the important role of the regional economic commissions and other regional intergovernmental organizations,

Emphasizing that problems of the human environment constitute a new and important area for international co-operation and that the complexity and interdependence of such problems require new approaches,

Recognizing that the relevant international scientific and other professional communities can make an important contribution to international co-operation in the field of the human environment,

Conscious of the need for processes within the United Nations system which would effectively assist developing countries to implement environmental policies and programmes that are compatible with their development plans and to participate meaningfully in international environmental programmes,

Convinced that, in order to be effective, international co-operation in the field of the human environment requires additional financial and technical resources,

Aware of the urgent need for a permanent institutional arrangement within the United Nations for the protection and improvement of the human environment,

Taking note of the report of the Secretary-General on the United Nations Conference on the Human Environment.

I

Governing Council for Environmental Programmes

1. *Decides* to establish a Governing Council for Environmental Programmes composed of 58 members elected by the General Assembly for three-year terms on the following basis:

- (a) Sixteen seats for African States;
- (b) Thirteen seats for Asian States;
- (c) Ten seats for Latin American States;
- (d) Thirteen seats for Western European and other States;
- (e) Six seats for Eastern European States;

2. *Decides* that the Governing Council shall have the following main functions and responsibilities:

(a) To promote international co-operation in the environment field and to recommend, as appropriate, policies to this end;

(b) To provide general policy guidance for the direction and co-ordination of environmental programmes within the United Nations system;

(c) To receive and review the periodic reports of the Executive Director, referred to in section II, paragraph 1, below, on the implementation of en-

^a Adopted by the Assembly on Dec. 15 by a vote of 116 (U.S.) to 0, with 10 abstentions.

vironmental programmes within the United Nations system;

(d) To keep under review the world environmental situation in order to ensure that emerging environmental problems of wide international significance receive appropriate and adequate consideration by Governments;

(e) To promote the contribution of the relevant international scientific and other professional communities to the acquisition, assessment and exchange of environmental knowledge and information and, as appropriate, to the technical aspects of the formulation and implementation of environmental programmes within the United Nations system;

(f) To maintain under continuing review the impact of national and international environmental policies and measures on developing countries, as well as the problem of additional costs that may be incurred by developing countries in the implementation of environmental programmes and projects, and to ensure that such programmes and projects shall be compatible with the development plans and priorities of those countries;

(g) To review and approve annually the programme of utilization of resources of the Environment Fund referred to in section III below;

3. *Decides* that the Governing Council shall report annually to the General Assembly through the Economic and Social Council, which will transmit to the Assembly such comments on the report as it may deem necessary, particularly with regard to questions of co-ordination and to the relationship of environment policies and programmes within the United Nations system to over-all economic and social policies and priorities.

II

Environment secretariat

1. *Decides* that a small secretariat shall be established in the United Nations to serve as a focal point for environmental action and co-ordination within the United Nations system in such a way as to ensure a high degree of effective management;⁷

2. *Decides* that the environment secretariat shall be headed by the Executive Director, who shall be elected by the General Assembly on the nomination of the Secretary-General for a term of four years and who shall be entrusted, *inter alia*, with the following responsibilities:

(a) To provide substantive support to the Governing Council;

(b) To co-ordinate, under the guidance of the Governing Council, environment programmes within the United Nations system, to keep their implementation under review and to assess their effectiveness;

⁷ By unanimous decision on Dec. 15 (A/RES/3004 (XXVII)), the Assembly located the environment secretariat in Nairobi, Kenya.

(c) To advise, as appropriate and under the guidance of the Governing Council, intergovernmental bodies of the United Nations system on the formulation and implementation of environmental programmes;

(d) To secure the effective co-operation of, and contribution from, the relevant scientific and other professional communities from all parts of the world;

(e) To provide, at the request of all parties concerned, advisory services for the promotion of international co-operation in the field of the environment;

(f) To submit to the Governing Council, on his own initiative or upon request, proposals embodying medium-range and long-range planning for United Nations programmes in the field of the environment;

(g) To bring to the attention of the Governing Council any matter which he deems to require consideration by it;

(h) To administer, under the authority and policy guidance of the Governing Council, the Environment Fund referred to in section III below;

(i) To report on environment matters to the Governing Council;

(j) To perform such other functions as may be entrusted to him by the Governing Council;

3. *Decides* that the costs of servicing the Governing Council and providing the small secretariat referred to in paragraph 1 above shall be borne by the regular budget of the United Nations and that operational programme costs, programme support and administrative costs of the Environment Fund established under section III below shall be borne by the Fund.

III

Environment Fund

1. *Decides* that, in order to provide for additional financing for environmental programmes, a voluntary fund shall be established, with effect from 1 January 1973, in accordance with existing United Nations financial procedures;

2. *Decides* that, in order to enable the Governing Council to fulfil its policy-guidance role for the direction and co-ordination of environmental activities, the Environment Fund shall finance wholly or partly the costs of the new environmental initiatives undertaken within the United Nations system—which will include the initiatives envisaged in the Action Plan for the Human Environment adopted by the United Nations Conference on the Human Environment, with particular attention to integrated projects, and such other environmental activities as may be decided upon by the Governing Council—and that the Governing Council shall review these initiatives with a view to taking appropriate decisions as to their continued financing;

3. *Decides* that the Environment Fund shall be

used for financing such programmes of general interest as regional and global monitoring, assessment and data-collecting systems, including, as appropriate, costs for national counterparts; the improvement of environmental quality management; environmental research; information exchange and dissemination; public education and training; assistance for national, regional and global environmental institutions; the promotion of environmental research and studies for the development of industrial and other technologies best suited to a policy of economic growth compatible with adequate environmental safeguards; and such other programmes as the Governing Council may decide upon; and that in the implementation of such programmes due account should be taken of the special needs of the developing countries;

4. *Decides* that, in order to ensure that the development priorities of developing countries shall not be adversely affected, adequate measures shall be taken to provide additional financial resources on terms compatible with the economic situation of the recipient developing country, and that, to this end, the Executive Director, in co-operation with competent organizations, shall keep this problem under continuing review;

5. *Decides* that the Environment Fund, in pursuance of the objectives stated in paragraphs 2 and 3 above, shall be directed to the need for effective co-ordination in the implementation of international environmental programmes of the organizations of the United Nations system and other international organizations;

6. *Decides* that, in the implementation of programmes to be financed by the Environment Fund, organizations outside the United Nations system, particularly those in the countries and regions concerned, shall also be utilized as appropriate, in accordance with the procedures established by the Governing Council, and that such organizations are invited to support the United Nations environmental programmes by complementary initiatives and contributions;

7. *Decides* that the Governing Council shall formulate such general procedures as are necessary to govern the operations of the Environment Fund.

IV

Co-ordination

1. *Decides* that, in order to provide for the most efficient co-ordination of United Nations environmental programmes, an Environmental Co-ordinating Board, under the chairmanship of the Executive Director, should be established under the auspices and within the framework of the Administrative Committee on Co-ordination;

2. *Decides further* that the Environmental Co-ordinating Board shall meet periodically for the purpose of ensuring co-operation and co-ordination

among all bodies concerned in the implementation of environmental programmes and that it shall report annually to the Governing Council;

3. *Invites* the organizations of the United Nations system to adopt the measures that may be required to undertake concerted and co-ordinated programmes with regard to international environmental problems, taking into account existing procedures for prior consultation, particularly on programme and budgetary matters;

4. *Invites* the regional economic commissions and the Economic and Social Office at Beirut, in co-operation where necessary with other appropriate regional bodies, to intensify further their efforts directed towards contributing to the implementation of environmental programmes in view of the particular need for the rapid development of regional co-operation in this field;

5. *Also invites* other intergovernmental and those non-governmental organizations that have an interest in the field of the environment to lend their full support and collaboration to the United Nations with a view to achieving the largest possible degree of co-operation and co-ordination;

6. *Calls upon* Governments to ensure that appropriate national institutions shall be entrusted with the task of the co-ordination of environmental action, both national and international;

7. *Decides* to review as appropriate, at its thirty-first session, the above institutional arrangements, bearing in mind, *inter alia*, the responsibilities of the Economic and Social Council under the Charter of the United Nations.

Secretary Rogers Lauds Nomination of Mr. Scali as U.N. Representative

Statement by Secretary Rogers¹

I am very pleased by President Nixon's nomination of John Scali as the U.S. Representative to the United Nations. His appointment manifests the President's high interest in the United Nations. Mr. Scali has been a respected diplomatic reporter, a valued consultant to the President, and has traveled extensively with the President throughout the world. I am confident that his service at the United Nations will be most distinguished.

¹ Issued to the press on Dec. 16 (press release 311 dated Dec. 18).

Standing Consultative Commission Under SALT Agreements Established

Following are texts of a joint communique issued at Geneva on December 21 at the conclusion of the first round of Phase Two of the Strategic Arms Limitation Talks (SALT) and a memorandum of understanding signed that day at Geneva by Gerard Smith, head of the U.S. delegation, and V. S. Semenov, head of the U.S.S.R. delegation.

TEXT OF COMMUNIQUE

The US-USSR negotiations on limiting strategic arms continued from November 21, 1972, to December 21, 1972, in Geneva.

The US Delegation was headed by the Director of the US Arms Control and Disarmament Agency, Gerard Smith. Members of the Delegation Philip J. Farley, Paul Nitze, Harold Brown, and Royal Allison participated in the negotiations.

The USSR Delegation was headed by Deputy Minister of Foreign Affairs of the USSR, V. S. Semenov. Members of the Delegation K. A. Trusov, P. S. Pleshakov, A. N. Shchukin, and O. A. Grinevsky participated in the negotiations.

The Delegations were accompanied by advisors and experts.

In accordance with the agreement reached in May, 1972 to continue active US-Soviet negotiations on the limitation of strategic offensive arms, the Delegations engaged in further consideration of the issues relating to achieving an agreement on more complete measures limiting strategic offensive arms.

During the course of these preliminary discussions a wide range of questions relating to this subject was considered. The discussion was useful for both sides in preparing for further negotiations next year. An understanding was reached on the general range of questions which will be the subject of further US-Soviet discussions.

During the negotiations, a Memorandum of Understanding establishing a Standing Consultative Commission pursuant to Article

XIII of the Treaty between the US and the USSR on the Limitation of Anti-Ballistic Missile Systems was agreed and signed.

The two sides express their appreciation to the Government of Switzerland for creating favorable conditions for holding the negotiations and for the hospitality which was extended to them.

Agreement was reached that negotiations between the US Delegation and the USSR Delegation will be resumed on February 27, 1973, in Geneva.

December 21, 1972
GENEVA

TEXT OF MEMORANDUM OF UNDERSTANDING

MEMORANDUM OF UNDERSTANDING BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE UNION OF SOVIET SOCIALIST REPUBLICS REGARDING THE ESTABLISHMENT OF A STANDING CONSULTATIVE COMMISSION

I.

The Government of the United States of America and the Government of the Union of Soviet Socialist Republics hereby establish a Standing Consultative Commission.

II.

The Standing Consultative Commission shall promote the objectives and implementation of the provisions of the Treaty between the USA and the USSR on the Limitation of Anti-Ballistic Missile Systems of May 26, 1972, the Interim Agreement between the USA and the USSR on Certain Measures with Respect to the Limitation of Strategic Offensive Arms of May 26, 1972, and the Agreement on Measures to Reduce the Risk of Outbreak of Nuclear War between the USA and the USSR of September 30, 1971, and shall exercise its competence in accordance with the provisions of Article XIII of said Treaty, Article VI of said Interim Agreement, and Article 7 of said Agreement on Measures.¹

III.

Each Government shall be represented on the Standing Consultative Commission by a Commissioner and a Deputy Commissioner, assisted by such staff as it deems necessary.

IV.

The Standing Consultative Commission shall hold

¹ For texts, see BULLETIN of June 26, 1972, pp. 918 and 920; and Oct. 18, 1971, p. 400.

periodic sessions on dates mutually agreed by the Commissioners but no less than two times per year. Sessions shall also be convened as soon as possible, following reasonable notice, at the request of either Commissioner.

V.

The Standing Consultative Commission shall establish and approve Regulations governing procedures and other relevant matters and may amend them as it deems appropriate.

VI.

The Standing Consultative Commission will meet in Geneva. It may also meet at such other places as may be agreed.

DONE in Geneva, on December 21, 1972, in two copies, each in the English and Russian languages, both texts being equally authentic.

For the Government of the United States of America:

GERARD C. SMITH

For the Government of the Union of the Soviet Socialist Republics:

V. S. SEMENOV

New Arrangements in the OECD for Monetary Cooperation

Following is an announcement issued by the Organization for Economic Cooperation and Development at Paris on December 22.

Press release 315 dated December 22

On January 1, 1973, the OECD countries will bring into force new arrangements for monetary cooperation between their governments and central banks.

Firstly, an agreement establishing an exchange guarantee on the working balances held by central banks in each others' national currencies has been concluded between the central banks of 18 OECD countries.¹

¹ The central banks participating in this agreement are those of Australia, Austria, Belgium, Denmark, Finland, France, the Federal Republic of Germany, Greece, Iceland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, and the United Kingdom. Although the Bank of England is a participant, the provisions of the agreement will not be applied as far as it is concerned until it is able to fix exchange rate margins for sterling. [Footnote in original.]

Secondly, a new Committee for Monetary and Foreign Exchange Matters has been created in the OECD in which all the OECD countries will be represented. These arrangements will replace the European Monetary Agreement which will terminate at the end of this year [1972].

The new Exchange Guarantee Agreement will provide a guarantee on the amounts held by a central bank on an account with another central bank in the latter's national currency, which are used as working balances. The precise definition of these amounts and the detailed terms of the exchange guarantee have been agreed between the central banks, which will have responsibility for the operation of this exchange guarantee. The multi-lateral decisions concerning the operation of the guarantee, which will require the unanimous agreement of all the participating central banks, will be taken in the new Committee for Monetary and Foreign Exchange Matters. Thus the guarantee will be operated in the framework of the OECD.

The exchange guarantee will be established for an initial period of three years from January 1, 1973, to December 31, 1975. Its prolongation thereafter will depend on a further decision of the Council of the OECD and the participating central banks. The new Committee for Monetary and Foreign Exchange Matters, apart from supervising the operation of the exchange guarantee, will provide a forum, open to the participation of all members of the OECD, in which problems of monetary cooperation, particularly those relating to the operation of the exchange markets, can be examined. The Committee will also be responsible for proposing to the Council of the OECD any arrangements pertaining to the operation of the exchange markets which could be needed in the light of developments and, in particular, of the progress made towards reform of the international monetary system. It will also discuss with any member of the Organization any temporary financing problems which that member may wish to raise and will consider ways of facilitating recourse by such a member to the interna-

tional financial market or helping such a member in any other way. In addition to representatives of each OECD country, the Committee will include representatives of the Commission of the European Economic Community, the International Monetary Fund and the Bank for International Settlements.

Termination of the European Monetary Agreement

The new arrangements carry on—in a manner more adapted to present conditions—some of the features of the European Monetary Agreement (EMA).²

The EMA was signed by the OEEC [Organization for European Economic Co-operation] countries in 1955 and brought into force at the end of 1958. It was designed to provide a framework for monetary co-operation in Europe during the period of transition to full convertibility of currencies. It had three main features:

(1) a forum for the examination of monetary and financial questions between experts of governments and central banks;

(2) an exchange guarantee on central banks' holdings of participating countries' currencies;

(3) a European Fund, out of which short- or medium-term credits could be granted to member countries to help them overcome temporary balance-of-payments difficulties. In view in particular of the extensive facilities for balance-of-payments assistance in the IMF [International Monetary Fund], it was decided that the OECD no longer needed a fund from which such assistance could be granted and that the new arrangements would not include any fund of this nature. It was decided, therefore, to liquidate the European Fund and terminate the EMA on December 31 next.

The uncalled capital subscriptions of the

² The contracting parties to the EMA are Austria, Belgium, Denmark, France, the Federal Republic of Germany, Greece, Iceland, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, and the United Kingdom. [Footnote in original.]

EMA countries will be cancelled and the called-up amounts, which were paid in gold, totalling the equivalent of \$41 million, will be returned to them in gold. (In addition the participants will receive \$3.6 million in gold in respect of the balance of the remaining interest due to them.) The Fund's remaining gold assets, on termination, equivalent to \$28 million, will be sold to the EMA countries as part of the liquidation operations.

The EMA participants have agreed that the part of the capital of the European Fund which had been transferred to it from the earlier European Payments Union and which, in fact, represented the United States' net contribution to the founding of the EPU, will be returned to the United States. In addition to this sum, amounting to \$271.5 million, the United States will receive \$84 million in respect of interest earned on this capital during the lifetime of the EMA. Thus it will receive a total amount of \$355.5 million, made up of the following components:

—cancellation of a claim of \$123.5 million on the U.S. Treasury;

—\$118 million in cash;

—\$114 million in the form of a 30-year credit to Turkey.

The 30-year credit to Turkey, which is included in the assets to be returned to the United States, represents the consolidation of the credits previously granted to Turkey by the European Fund and still outstanding on December 31, 1972. These credits, which had maturities of up to five years, to be transformed from a single consolidated credit which is to be repaid in 50 equal semi-annual installments in the 25 years from 1978 to 2002.

The second and third main features of the EMA mentioned above are reflected in the new arrangements which will come into force on January 1, 1973—the agreement on an exchange guarantee between central banks on working balances in each others' national currencies and the new Committee for Monetary and Foreign Exchange Matters of the OECD.

Secretary Rogers Pays Tribute to Deputy Secretary Irwin

Statement by Secretary Rogers¹

I take great pleasure in the announcement of President Nixon's decision to nominate Deputy Secretary Irwin as American Ambassador to France. He has served his country with great distinction in his present position, and I know he will represent his country with equal distinction in Paris.

Jack Irwin is no stranger to the problems and opportunities in U.S.-European relations. He has throughout his service in Washington engaged in an active and increasingly intimate dialogue with the European Community, the OECD [Organization for Economic Cooperation and Development], and our western European allies and friends at the highest level and on the most sensitive political and economic matters. The Department and I salute him for the success he has had in establishing close personal and institutional relationships with the other agencies of this government which play an important role in our foreign relations.

Finally, I should like to pay particular tribute to Jack Irwin for his service as Chairman of the Board of the Foreign Service in the past several years. He and the Board have steered a delicate and thoughtful course through the problems of personnel reform and employee-management relations during a time of great change within the Foreign Service; to this process

of constructive change he has made a distinguished and thoughtful personal contribution.

Authorization of Funds for Defense Articles and Services for Spain

PRESIDENTIAL DETERMINATION No. 73-7¹

PRESIDENTIAL DETERMINATION—SPAIN

Memorandum for the Secretary of State

THE WHITE HOUSE,
Washington, November 13, 1972.

In accordance with the recommendation in your memorandum of August 7, I hereby:

(a) Determine, pursuant to Section 614(a) of the Foreign Assistance Act of 1961, as amended, that authorization of the use of up to \$10 million of funds available in FY 1973 for the grant of defense articles and services, together with excess defense articles, to Spain without regard to the limitation of Section 620(m) of the Act is important to the Security of the United States; and

(b) Authorize, pursuant to Section 614(a) of the Act, such use of up to \$10 million of funds for the grant of defense articles and services, together with excess defense articles, to Spain without regard to the limitation of Section 620(m) of the Act.

You are requested on my behalf to report this determination to the Senate and the House of Representatives within thirty days.



¹ Issued on Dec. 22 (press release 316).

¹ 37 Fed. Reg. 24733.

In this essay prepared to serve as an aid to discussion in the semiannual planning talks between the Department of State and the Japanese Ministry of Foreign Affairs held at Shimoda in June 1972, Mr. Armacost identifies some obstacles to accurate mutual perceptions between U.S. and Japanese societies and governments and makes recommendations for improving communications. Mr. Armacost, at that time a member of the Planning and Coordination Staff of the Department, is now assigned to the Embassy at Tokyo as Planning and Academic Adviser to the Ambassador. The essay, which is printed here with minor editorial revisions, was published in the January issue of the Japanese journal Jiyu.

U.S.-Japan Relations: Problems and Modalities of Communication

by Michael H. Armacost

There is perhaps no country in the world with which the United States has developed a more elaborate structure for communicating and consulting with respect to bilateral relations than with Japan. More Japanese and Americans are being directly exposed to each other's societies than ever before. The magnitude of seaborne trade between our two countries is unprecedented in history. For two decades U.S. and Japanese security policies have been closely interdependent. We confront an increasing number of common problems and experiences as we enter a postindustrial age.

Nevertheless, recent experiences reveal significant gaps in the flow of information between our two countries. Our ability to comprehend each other's longer range purposes and policies has been far from perfect. Presidential and Prime Ministerial motives have been susceptible to misunderstanding and misconstruction. The mutual images held both by the leadership and by attentive publics in our two countries have sometimes diverged quite sharply from reality.

To be sure, recent strains in our relations

go beyond simply problems of communications. Adjusting bilateral relations to Japan's emergence as a major global economic power and to the redefinition of the U.S. role in Asia ushered in by the Nixon doctrine was bound to be accompanied by frictions and misunderstandings. Barriers of language, cultural differences, and historical experience necessarily complicate these adjustments. But the situation is not unique. Comparable adjustments to structural changes in relative positions with other major allies, e.g., Britain in the mid-1950's and France in the 1960's, produced similar problems.

The value of communication is not determined by the volume of information amassed, but rather by the extent to which developments in other societies are rendered comprehensible and the actions of other governments calculable. For the actions of another government to be relatively free of surprises, however, one must possess an adequate and up-to-date frame of reference. The fine details of governmental structure and process, of lines of influence and channels of communication, of political stakes,

of the interplay of issues, of the "state of play" in another capital must be clearly and widely understood.

Keeping these frames of reference up to date is an enormous task requiring prodigious effort at a variety of levels. No two societies in the world are changing more rapidly than the United States and Japan. Perhaps no two governments in the world have more complicated internal arrangements for sharing and exercising power. Few countries extend more opportunities for the public, pressure groups, and the press to make their influence felt on foreign policy issues.

The communications problem between the United States and Japan concerns more than a handful of officials. The Diet and Congress possess critical influence over a number of key issues in our bilateral relations. Their actions will in turn be shaped by the attitudes of the political parties and the commentators of the press, magazines, and TV who set the tone of political debate. The "hothouse" environment in which for two decades American and Japanese leaders nurtured the roots of cooperation has been shattered. Unless there is broader participation in efforts to improve communications between the United States and Japan, our political and economic relations will continue to be plagued by misunderstandings which arise not so much from conflicting national interests as from flaws in our respective abilities to understand one another.

This essay attempts to: (1) identify some of the obstacles to accurate mutual perceptions between our societies and governments and (2) offer some proposals for improving communications through official and nonofficial channels.

Obstacles to Mutual Understanding

Some of the obstacles to mutual understanding are rooted in our limited understanding of one another's societies. Some derive from peculiar Japanese and American styles of communication. Some are a function of different types of bureaucratic and party politics in Tokyo and Washington.

Public Images

The "Attention Gap." Japanese newspapers tend to overreport news on the United States, amplifying—sometimes out of all proportion—the importance of events in America having even a marginal bearing on Japan. Japanese newspaper coverage of developments in the United States generally appears to Americans excessively critical and negative.

For Americans, on the other hand, Japanese developments are grossly underreported in the press. American reporting on Japan tends to be lower in volume and inferior in sophistication to reporting on European affairs. Reporting on Japan in the leading U.S. newspapers and weekly news magazines is frequently resourceful, balanced, and sympathetic. Other coverage tends to be spotty and much less analytical. Analysis in the press of political developments is hampered by the inexplicable practice of Japanese reporters clubs of excluding foreign correspondents from attending official press conferences in many ministries. As one capable American reporter has noted, "Nowhere outside the Communist world are foreign newsmen so completely denied access to news sources on the day when news is happening."

Relatively few U.S. correspondents master the Japanese language and acquire a genuine intuitive feel for Japanese society and culture. TV specials attempting to offer more in-depth coverage on Japan have been infrequent in number and erratic in quality, often focusing on the exotic rather than the significant. The cumulative effect of such negligence encourages inattentiveness and perpetuates misconceptions and misleading stereotypes.

The Underdeveloped State of Americanology and Japanese Studies. In Japanese academia, a generation of postwar Americanologists is barely reproducing itself. Survey courses in American civilization are still not offered to undergraduates at many important universities. American studies programs, insofar as they exist, tend to be

oriented to the writings of Walt Whitman rather than the works of David Riesman, Daniel Moynihan, John Kenneth Galbraith, and other students of contemporary America. The split between Marxist and modern schools of economic thought leaves many university departments offering few courses which do justice to the complexities of the modern U.S. economy. American popular culture is transmitted throughout Japan by an extensive instantaneous communications net. But understanding of American institutions and the historical basis of American attitudes toward the world is often superficial in the media and the academic world.

The situation in the United States is no less bleak. Japanese studies programs in the United States have registered some notable scholarly achievements. But they have been underfinanced and are in danger of atrophy due to lack of support. Their effect has been felt only narrowly in any event. Less than 1 percent of American college youth receive even the most superficial exposure to a study of Japan. For every American university student learning Japanese, 10 are studying Russian and 100 are studying French. Approximately \$15 million a year is spent on Japanese studies in U.S. universities, 13 percent contributed by the U.S. Government. This figure is about 35 percent of what is going annually into Chinese studies programs. Funds supplied by the Department of Health, Education, and Welfare and by the Ford Foundation for such studies have been declining. There are only about 150 persons in the U.S. academic community today who could be considered genuine specialists in Japanese affairs, and only about 20 or so of these can lay claim to a sophisticated understanding of the Japanese economy. American political scientists specializing in Japanese affairs have been peculiarly fascinated with the role of the opposition parties. Not until recently have there been respectable studies of the governing party of Japan, the relations between business and government, the role of factions in Japanese politics, and the interconnections between

domestic politics and Japanese foreign policy. It is extremely rare for an American politician to be able to speak or read Japanese; nor have American businessmen, scientists, or artists invested much effort in mastering the Japanese language.

Perspectives and Reflexes "Overtaken by Events"

Many Japanese and American perceptions are rooted in experiences of the immediate postwar period. These images have not been adjusted swiftly enough to changes in our relative positions in the world. Defeat in war and foreign occupation has left its stamp on a generation of Japanese leaders. America's emergence on the world scene in a global role occurred at a time when its enemies were defeated and its allies were exhausted and heavily dependent on U.S. largess for rapid reconstruction. Neither U.S. nor Japanese leaders have consequently had to devote themselves persistently to the management of relations among equals. This has produced contradictory psychological reflexes that are difficult to shake.

For many Japanese, an "unbalanced relationship" with the United States has provided, as Hiroshi Kitamura has persuasively argued,¹ fertile ground for *amae* psychology; that is, "the tendency to depend and presume upon another's benevolence." It has encouraged "awe" of the formidable U.S. "potential for both constructive and destructive action." It has nurtured a fear and feeling in some quarters of having "been victimized." Occasionally it has promoted expectations of U.S. behavior which, if unrealized, give rise to disillusionment and even resentment. It has stimulated exaggerated awareness of Japanese economic vulnerability, fortifying a reluctance to apply reciprocity to our economic relations in a timely fashion.²

¹ Kitamura, *Psychological Dimensions of US-Japanese Relations* (Harvard, 1971). [Author's citation.]

² Rationalizations of restrictive trade and investment regulations on the basis of Japan's low per

The unbalanced relationship has also left its imprint on Americans. In some it has produced a patronizing attitude toward Japan. It has encouraged others to expect submissiveness and compliance from Japan, not least on political and security issues. At times it has contributed to confusion between the concepts of "informing" and "consulting." Consultations on political and security issues have taken place, moreover, within the framework of an alliance in which a substantial identity of basic interests was assumed. As principal architect and guarantor of this alliance, the United States has asserted the larger voice in designing and articulating the strategy. With respect to sharing assessments of threats to our respective security interests, U.S. spokesmen have in the past occasionally talked too much and listened too little.

Another facet of the shift in relative positions has shaped the context for communications as far as American perceptions are concerned. In recent years there has been a dramatic contrast between the extraordinary economic growth in Japan and the lagging growth rates, high unemployment, and spiraling inflation in the United States. This has led to widespread American expectations that Japan should willingly extend concessions to hard-pressed U.S. industries out of appreciation for American responsiveness to Japanese aspirations concerning Okinawa, in order to help alleviate U.S. balance of payments difficulties, or as compensation for long-maintained Japanese trade and investment restrictions. Japan has, to be sure, made substantial progress in liberalizing its trade and investment policies. But it has done so piecemeal and in such a grudging manner as to vitiate any favorable impact it might have had on U.S. public opinion. Reluctance to move in a timely way to eliminate the more informal barriers to trade

and investment has also contributed plausibility to the thesis widely held in some quarters in the United States that Japan's international economic position is primarily a result of "unfair" collusive relations between business and government in "Japan, Inc."

Contrasting Styles of Communication

Our respective styles of communication have tended to compound misunderstandings. The U.S. culture places a high premium upon candid and forceful explication of dissent, on hard bargaining, and on adversary procedures in law and government. We feel comfortable dealing with impersonal, contractual relationships. These cultural values result in a style of communication which may invite the suspicion that the United States is insensitive to Japanese sensibilities, and that it is prepared to relentlessly press its own views and drive hard bargains on the basis of superior size and Japan's greater dependence on cooperative relations.

Japanese values yield a higher place to tacit understandings, to nonverbal communications, to *haragei* or "gut feelings." Words are less important than the intentions and feelings of the speaker, and the words spoken are inseparable from the specific circumstances in which they were spoken.

Japanese culture emphasizes traditionalist moral rather than pragmatic legal concepts. It encourages patterns of human relationships derived from the family or community rather than the courtroom, and it looks to vaguer harmony and consensus and cooperation based on mutual respect and trust. The homogeneity of the culture—a source of social harmony at home—has posed peculiar obstacles to sharing thoughts and emotions with foreigners. In dealing with the United States, these traits can occasionally contribute to imprecision in communication and to misunderstanding of motives. Real differences of view may appear to be glossed over. The Japanese tendency to respect the senti-

capita income and allegedly fragile financial base appear incongruous to American businessmen who regard Japan's rapidly expanding export trade as demonstrable proof of Japan's competitive strength. [Author's footnote.]

ments expressed by outsiders and the disposition frequently to leave one's own opinion blurred may result in the illusory and misleading impression of acquiescence. It may also lead to neglect of significant opportunities for clarifying deep misgivings.

Asymmetries in Governmental Structure

Significant misunderstandings among allies—as Richard Neustadt has amply documented in his book “Alliance Politics”—frequently result from failures of leaders in one government to pay sufficient attention to the perceptions, political stakes, and standard operating procedures of leaders in allied capitals. The consequence may be “muddled perceptions, stifled communications, disappointed expectations, and paranoid reactions.” When friends misread one another's intent, Neustadt suggests, they may become reticent with one another, then begin to surprise one another, and finally initiate retaliation in kind.

Some misreading may have occurred with respect to the implicit link between what Americans felt was President Nixon's forthcoming attitude on Okinawan reversion in November 1969 and American hopes and expectations that Japanese leaders would reciprocate by alleviating import pressures on politically sensitive textile manufacturers in the United States. Whether the root of the difficulty was imprecise commitments, faulty translation, wishful thinking, or a misunderstanding over then-Prime Minister Sato's inability to deliver all that was anticipated is beside the point, in a sense. It is sufficient to note that intentions appear to have been misjudged on both sides.

Various features of our respective governmental arrangements may exacerbate this problem. It takes a considerable leap of imagination for political leaders in one country to place themselves in the shoes of foreign counterparts. This may be particularly true of Americans and Japanese, since we have had unique domestic experiences and have for much of our respective histories been shielded from foreign intrusion. Ministers and Cabinet members must define and de-

fend their policy positions at home. Their understanding of their jobs and their interests is shaped by years of learning on the home grounds. That is where they are booed and booted out or alternatively promoted or reelected. Intellectual conditioning as well as governmental gamemanship makes it extraordinarily difficult to transcend one's own frame of reference and to avoid assuming, by analogical reasoning, that the frame of reference of counterparts in Tokyo is comparable to the political environment in Washington, and vice versa. It is not!

Some notable differences in governmental processes may be accountable for blurring these frames of reference:

Presidential Politics vs. Cabinet Politics. An American Cabinet is composed for the most part of political confidants of the President. In Japanese political terms, they are all members of the “President's faction.” They are selected for their administrative competence and loyalty and for the balanced representation they can bring to the White House circle of advisers. Some have had no experience in electoral politics; others have no aspirations for higher office. The President can normally assume their fidelity to his purposes.

In the parliamentary tradition, the Japanese Cabinet, consisting as it does of able and ambitious politicians belonging to a variety of factions, possesses a different character. It generally includes several leading major factional leaders positioning themselves for future succession to the Prime Ministership. Maneuvering among the factions is to a considerable extent shielded from the view of foreign observers. The subtleties of intra-Liberal Democratic Party politics must be kept constantly in mind by Americans if miscues are to be avoided.

Fragmentation of Responsibility. The nature of bilateral communications on an issue varies depending upon whether it is defined as a technical or political question. The technical considerations paramount in the minds of Japanese officials in the Ministry of International Trade and Industry and the Fi-

nance Ministry on the textile negotiations or the yen revaluation question were quite different from those which aroused concerns in the United States. Similarly, U.S. officials speaking in a technical context may on occasion express themselves on security issues which bear on our bilateral relations without sufficient attentiveness to the impact of what they say on the political environment. Confusion may thus reign as to which signals are authoritative when many different agencies or ministries have interests in particular matters.

Multiple Voices and Audiences. The U.S. Government has been likened by one observer to a Tower of Babel. Certainly it is true that the separation of powers produces a dialogue on policy issues in Washington that may be difficult for outsiders to sort out. It is not always simple—sometimes not possible short of Presidential statements—to discern over the surface noise who speaks with authority on important matters and who is merely kibitzing or playing a good bureaucratic game with no “hole card.” When these confusing noises are amplified—occasionally without a discriminating sense of proportion—by a Japanese press inclined by natural instinct to be critical of the United States, misleading impressions abound. Similar confusion is frequently created by differences between the tone and nuance of Japanese governmental responses to Diet interpellations on the one hand and official messages transmitted in diplomatic channels on the other.

In both the United States and Japan, the political leadership recognizes that our security and economic relationship is grounded on a wide range of parallel interests—an assumption that is not universally accepted by public opinion in each country. Concessions to the other country on security or economic issues run up against strong popular attitudes, and most issues between us involve areas that pinch one domestic group or another. Political leaders naturally prefer to avoid domestic controversies wherever possible. In both countries, political

benefits may be derived by shifting the onus for noncooperation onto the other in the domestic context. Once public emotions are aroused, however, the room for diplomatic maneuver may be narrowed.

An additional element of complexity has been added by the dialogues we are each conducting with the Chinese and Russians. Signals conveyed in one context may be easily misconstrued when viewed from another angle.

The Problem of Leaks. James Reston once described the U.S. Government as the “only vessel known to man which leaks from the top.” It is one such vessel, but certainly not the only one. Leakage of communications and security material is a problem familiar to both the U.S. and Japanese Governments. Apprehension about premature public disclosure was an overriding reason for keeping Dr. Kissinger’s [Henry A. Kissinger, Assistant to the President for National Security Affairs] July 1971 visit to Peking secret. The resulting secrecy of preparations, extending within the U.S. Government as well as to allied governments, partially accounted for the difficulties of providing signals regarding the timing and thrust of specific moves, although the general direction of U.S. policy toward China had been established publicly in 1969.

Lines of Accountability. The constitutional allocation of responsibility for U.S. foreign policy is marked by vagueness and encourages what one eminent constitutional historian has termed “a standing invitation to struggle” between the legislative and executive branches of government. These struggles have been especially intense over foreign policy issues which have a major impact on the domestic society or economy; e.g., trade and currency questions.

The textile negotiations illustrate one pitfall for our bilateral relations. The attempt of the Japanese textile industry to negotiate an understanding on exports to the United States directly with the chairman of the House of Representatives Ways and Means Committee was susceptible to serious mis-

understanding, since any President was liable to regard this as a challenge to his own constitutional prerogatives.

On the other hand, executive flexibility on foreign policy should not be exaggerated. Many Japanese have looked with a measure of envy at the evident maneuverability President Nixon has enjoyed during the past year on the China issue. Some appear mistakenly to assume comparable Presidential freedom of action on other issues, such as trade, on which domestic constituencies, powerful lobbying groups, and congressional legislative prerogatives serve to seriously limit executive branch flexibility. The President's trip to Peking required no enabling legislation nor any specific prior authorization or appropriation of funds. Public opinion was favorably disposed, and the initiative won bipartisan support in Congress. These unique conditions do not obtain with respect to Presidential freedom of action on bilateral U.S.-Japanese economic issues.

The consensus nature of Japanese politics makes it extraordinarily difficult for the political leadership to push through programs against determined political opposition. Even when the government enjoys a comfortable parliamentary majority, it may be disposed to compromise in order to avert a confrontation, avoid charges of "ramming measures through the Diet," and head off obstructionist tactics by the opposition. To Americans, unfamiliar with the nuances of the Japanese political process, the Japanese Government's need to compromise under these circumstances may be questioned, or may even be considered dilatory negotiating tactics.

One could elaborate additional elements of bureaucratic structure which encourage misunderstanding and pose obstacles to free and easy communications. The point is perhaps sufficiently clear. Given the dissimilarities in our respective styles of communication and patterns of government, a special and continuing effort is required to assess the political and bureaucratic stakes of counterparts,

to examine mutual perceptions critically, and to communicate intentions with clarity and precision.

Recommendations for Improving Communications

In my view, recent strains on U.S.-Japanese communication rest not so much with the modalities but rather with the content of communications between us and the filters imposed by our differing cultures and political systems. We have constructed a generally adequate system of channels. In addition to the actively utilized normal diplomatic channels in Washington and Tokyo, these include regular Cabinet-level discussions of economic and social issues, State Department-Foreign Ministry planning talks, periodic meetings of the Security Consultative Committee, a complex network of consultative links on scientific and technological issues, and biennial joint cultural conferences. Specific proposals for improving communications include the following:

1. Regularized forums for government-to-government consultation have played a useful role in coordinating policies, identifying problem areas, and developing channels of communication between counterparts in our respective governments. As we adjust our respective policies in the period ahead, it is critically important that we deepen exchanges on the questions of most fundamental significance to our political relationship. These include long-term U.S. and Japanese policies in Asia, our respective approaches to China, bilateral economic problems, reform of international monetary and trade arrangements, approaches to the ever-widening range of problems and opportunities opened by science to be pursued by technology, long-range security arrangements in the Pacific, and indeed, common problems of peace and security on a global basis in an age when basic global problems confront both the United States and Japan. We must especially seek to find ways of heading off problems, particularly in the economic field, before they become domestic

political footballs in either or both countries.

2. It is clearly important to stimulate Japanese studies in U.S. educational institutions and to encourage a more contemporary focus to American studies in Japan. The Japan Foundation can provide an important means of stimulating and underwriting broadly conceived Japanese studies programs in American universities; e.g., expanding scholarships to American students and professors, promoting language and area studies, encouraging broadly based exchange programs in both directions (particularly involving young people).

3. We need to promote a more balanced presentation by the Japanese press of developments in the United States. Possible methods of approach might include annual informal sessions of the working Japanese and American press to discuss professional problems as well as current bilateral and multilateral issues of mutual interest. Orientation tours for newly arrived foreign correspondents might also prove helpful.

4. We need more interpretative and comprehensive media coverage of U.S.-Japanese relations by the U.S. press and television. The Japanese Government could facilitate more complete and balanced coverage of Japan if it concentrated additional attention on briefing and talking with U.S. correspondents in Japan who find themselves excluded from sources routinely available to their Japanese colleagues. More attention might also be paid to inviting major columnists to Japan at fairly regular intervals. The promotion of wide-circulation magazines on Japan in English should be given consideration, as should the development of more Japanese program material for broadcast on American TV. We need to end the lack of reciprocity between privileges accorded to Japanese reporters in Washington and American reporters in Tokyo.³

5. The Advisory Council on Japan-U.S.

³ Prime Minister Tanaka's inclusion of foreign correspondents in his first formal press conference marks a hopeful step in this direction. [Author's footnote.]

Economic Relations has made an excellent start in developing joint task forces to work on problems of mutual interest to the business community. Broader interpenetration of professional, labor, and management associations should be encouraged. One means of promoting this would entail extending membership in trade and professional associations in both countries to Japanese and Americans.

6. Parliamentary-congressional exchanges have been useful and could be expanded. A special effort is warranted in promoting exchanges among promising young political leaders. Some effort might also be made to bring key congressional staff members together with their Japanese counterparts, perhaps through frequent three- to six-day seminars or consultations conducted alternately in Japan and the United States, possibly at some point like the East-West Center in Honolulu.

7. As economic interdependence becomes even greater, it is essential that we develop more sophisticated mutual understanding of our respective economic systems. Exchange programs should focus particular attention upon those practitioners of "the dismal science" of economics in both countries whose writings reach a wide public audience. It is also desirable that senior U.S. and Japanese officials in the economic field make more frequent informal visits to Tokyo and Washington, respectively. At present such visits take place so infrequently as to appear usually to the press, and sometimes to the Japanese and American bureaucracies, as evidence of confrontation or imminent crisis in our economic relations. More frequent visits would also permit the development of closer and more informal personal relationships among senior officials.

The essential task before us is to deepen our special relationship. That relationship is grounded on a broad range of converging interests. Our ability to make essential adjustments on specific issues will depend in turn upon maintaining and extending the host of informal and friendly associations

which exist among officials in our respective governments, developing further mutual comprehension and trust among social and economic leadership groups in the United States and Japan, and improving reciprocal and direct access to each other's public opinion. Clearly there is much to be done. The problems of communication between us are legion. So, too, are the opportunities.

Libya States New Requirement Concerning Foreign Passports

Department Announcement¹

The State Department has been informed by the Embassy of Libya that effective January 1, 1973, the Government of the Libyan Arab Republic will no longer recognize passports of any foreign government unless, in addition to the official language of the specific country, the pertinent information stated within the passports is written in Arabic. Inasmuch as American passports are issued in English, prospective U.S. travelers to Libya should be aware that they may experience delays in receiving Libyan visas or in traveling to Libya after January 1 and should check with the Department or U.S. consular offices abroad for the latest developments in this matter.

The State Department and other governments which have been similarly notified by the Libyan Government are in touch with the latter in the hope that a mutually satisfactory way will be found to resolve this matter.

¹ Issued on Dec. 19 (press release 312).

Congressional Documents Relating to Foreign Policy

92d Congress, 2d Session

Heroin: Can the Supply Be Stopped? Report by Senator William Spong to the Senate Committee on Foreign Relations. September 18, 1972. 33 pp.
Section-By-Section Analysis of the Proposed Act Concerning Compensation for Oil Pollution Damage. H.R. 16669, to implement the international convention on civil liability for oil pollution damage and the international convention on the establishment of an international fund for oil pollution damage. Prepared by the executive branch for the use of the House Committee on Foreign Affairs. September 21, 1972. 12 pp.

1974 International Exposition on Ecology and the Environment. Message from the President of the United States transmitting a proposal for participation by the United States Government in the 1974 International Exposition on Ecology and the Environment to be held at Spokane, Washington, pursuant to section 3 of Public Law 91-269. H. Doc. 92-358. September 25, 1972. 121 pp.

Foreign Assistance and Related Programs Appropriation Bill, 1973. Report to accompany H.R. 16705. S. Rept. 92-1231. September 27, 1972. 107 pp.

Restraints on Travel to Hostile Areas. Report, together with a dissenting view, to accompany H.R. 16742. H. Rept. 92-1461. September 28, 1972. 12 pp.

For the Benefit of All Mankind—The Practical Returns From Space Investment. Report of the House Committee on Science and Astronautics. H. Rept. 92-1452. October 1972. 88 pp.

Aircraft Sabotage Convention. Report to accompany Ex. T, 92d Cong., second sess. S. Ex. Rept. 92-34. October 2, 1972. 27 pp.

Protocol to Northwest Atlantic Fisheries Convention. Report to accompany Ex. C, 92d Cong., first sess. S. Ex. Rept. 92-35. October 2, 1972. 6 pp.

Amendments to the Convention for the Safety of Life at Sea, 1960. Report to accompany Executive O, 92-2. S. Ex. Rept. 92-36. October 2, 1972. 8 pp.

Agreement With Brazil Concerning Shrimp. Report to accompany Ex. P, 92d Cong., second sess. S. Ex. Rept. 92-37. October 2, 1972. 10 pp.

U.S. Discusses Progress and Problems in Arms Control

Following is a statement by U.S. Representative George Bush made in the First Committee (Political and Security) of the U.N. General Assembly on October 23, together with the text of a resolution adopted by the General Assembly on November 29.

STATEMENT BY AMBASSADOR BUSH

USUN press release 124 dated October 23

The First Committee is beginning today its consideration of disarmament problems, which make up one of the most important items on the committee's agenda. We take up these problems conscious of the fact that achievements in the area of arms control, particularly the two recently concluded strategic arms limitations agreements, have had a beneficial effect both in terms of beginning to curb the competition in nuclear armaments and of contributing to improvements in the international political atmosphere.

As President Nixon said in his foreign policy report to the Congress earlier this year:¹

The limitation of armaments is an essential element in the larger political process of building a more stable international system. By contributing to international stability and restraint, arms control agreements can provide a greater measure of security than could be achieved by relying solely on military power. A mutual willingness to curb arms competition indicates constructive intentions in political as well as strategic areas. Progress in controlling arms can reinforce progress in a much wider area of international relations.

The United Nations, bearing the primary responsibility for the maintenance of world

peace and security, appropriately devotes a substantial part of its annual meeting to the general area of arms control and disarmament. This measure of concern clearly recognizes the interrelationship between arms control and international security.

The entry into force of the SALT [Strategic Arms Limitation Talks] accords on October 3 marks a major achievement in arms control. For the first time, agreement has been reached to limit strategic nuclear arms.

This is an accomplishment we have sought since the very beginning of the nuclear age. It follows a number of other important successes in arms control during the past decade, including the Limited Test Ban Treaty, the Outer Space Treaty, the Nonproliferation Treaty, the Seabed Arms Control Treaty, and the Biological Weapons Convention, as well as the earlier SALT agreements on measures to reduce the risk of outbreak of nuclear war and to modernize the U.S.-U.S.S.R. direct communications link.

The ABM [anti-ballistic missile] Treaty and the interim agreement limiting strategic offensive nuclear arms represent a significant step in lessening the burden of nuclear weapons on mankind. They testify to the good faith of the two largest nuclear powers in working to meet their pledge under article VI of the Nonproliferation Treaty, and they serve the cause of the very first principle of the United Nations Charter—"to maintain international peace and security."

The SALT accords are intended to promote stability, arrest the arms race, and stimulate further measures to limit nuclear arms. They are designed to benefit all nations by establishing conditions for a more peaceful world in which resources can be

¹ The complete text of the report appears in the BULLETIN of Mar. 13, 1972; the section entitled "Arms Control" begins on p. 397.

redirected from means of destruction to ways of improving the life and well-being of all peoples.

Under these agreements the United States and the U.S.S.R. have significantly limited themselves. Each party undertakes not to deploy ABM systems for a defense of the territory of its country and not to provide a base for such a defense. In the ABM Treaty, the parties have pledged not to deploy more than 200 ABM launchers and missiles. In the interim agreement, the parties have frozen the level of offensive strategic missile launchers at the number operational and under construction. A number of important qualitative restraints are also specified. For example, the parties have accepted limitations on development and testing. They have agreed not to develop, test, or deploy ABM systems or components which are sea-based, air-based, space-based, or mobile land-based; ABM launchers for launching more than one interceptor missile at a time; automatic or semiautomatic or other similar systems for rapid reload of ABM launchers; and multiple independently guided warheads for ABM missiles. They have also decided not to deploy new ABM systems based on other physical principles, such as those which employ laser beams, for example, without discussion and agreement on their limitation. The parties have also sought to limit the size and potential destructive power of offensive strategic missiles by agreeing not to substitute heavy missiles for light ones and not to increase significantly the dimensions of land-based ICBM [intercontinental ballistic missile] silo launchers.

The SALT agreements do not, of course, end the threat of nuclear war, but they have begun a great historical process which can ultimately lead to that goal. When the SALT talks resume in Geneva on November 21, we are resolved to make further progress by seeking more complete limitations on nuclear armaments. We believe that reason and purpose on both sides will continue to be the key to success, and we are confident that sober, persistent, and realistic efforts will lead

to positive results. We will return to the negotiations in that spirit, endeavoring to reach further agreements which will merit the confidence of all who seek a more stable and a more secure world.

The undoubted successes in the area of bilateral arms control have been accompanied by important work in the Geneva forum for negotiating multilateral arms control.

In accordance with Resolution 2827 (XXVI), adopted by the General Assembly last year, the CCD [Conference of the Committee on Disarmament] continued and intensified its high-priority deliberations on seeking effective prohibitions of chemical weapons. The work of the Committee during the past year dealt with a very wide spectrum of issues related to this important problem. A variety of approaches was thoroughly examined and analyzed. Considerable progress has been made in identifying the various areas of concern. Consideration has been given to the troublesome problems of verification and compliance. All of this activity, I believe, has contributed to the significant degree of progress that has been made toward our goal and has provided a basis for the Committee's work when it meets again next year.

I would like to reaffirm at this point my government's commitment to the undertaking contained in article IX of the Biological Weapons Convention to negotiate in good faith for agreement on effective chemical weapons prohibitions. My government's approach to achieving these prohibitions rests on the fundamental view that in this intensely complex matter of chemical weapons restraints, reliance on one or more rough-and-ready abstract principles is not adequate. What is needed is thorough and objective study of the materials to be placed under control as well as analysis of the problems and opportunities offered by various approaches. Existing problems need to be faced squarely and solved on the basis of mutual accommodation. We must recognize, for example, that any workable prohibitions would apply to some complex substances that are

very closely related to large-scale production of materials for peaceful purposes. The chemical industry is, as we all know, one of the largest, most enterprising, and most innovative industries. Recognition of these factors has resulted in the focusing of attention and discussion on defining what we are trying to prohibit or control and the related problems of verification.

Last spring the United States presented to the CCD a comprehensive work program to assist in the negotiation of practical and workable chemical weapons prohibitions.² We are gratified that this program helped provide a framework for some of the discussions, working papers, and technical meetings during the past year at CCD.

At the start of the CCD's summer session, the United States submitted five working papers designed to fit into this framework and to further the general work of the Committee as well as the more specialized considerations of the chemical experts who met in Geneva shortly after the session began. The five working papers dealt with (1) definitions of chemical agents, (2) storage of chemical weapons and agents, (3) destruction of agents, (4) statistics on U.S. trade and the production of key chemical substances, and (5) U.S. legislation on hazardous chemical substances. These papers in one way or another all concerned themselves with the central problems of scope and verification of chemical weapons prohibitions, the relationship between these two factors, as well as with the associated problems of environmental safety. They discussed, for example, the crucial issue of which criteria might be considered relevant in establishing the scope of an agreement. They represented an earnest effort to lay the basis for establishing clear and broadly acceptable standards that could be uniformly applied by all parties to an agreement. It is precisely such basic practical considerations that in our view must necessarily precede efforts to decide on treaty solutions.

² For text, see BULLETIN of June 5, 1972, p. 795.

I believe that the work of the CCD during the past year has significantly broadened and deepened the understanding of the important issues that are involved. The U.S. delegation has profited greatly from the valuable contributions made by delegations of other countries to our common and growing fund of essential knowledge. The technical papers and the more broadly conceived analyses and proposals submitted by a large number of delegations have clearly contributed to the common search for effective chemical weapons prohibitions. We expect to be responding on the issues and the proposals at the forthcoming session of the CCD.

We are hopeful that the General Assembly will again, as last year, provide encouragement and stimulus to the Committee to continue in the general course it has set and, of particular importance, to consider all the various approaches to this problem.

Turning now to another vital element of the Committee's work, I would like to comment briefly on the issue of a comprehensive nuclear test ban. The CCD this year had before it a number of interesting proposals for solving the variety of problems that still confront us. My government will continue to give these proposals serious consideration, recognizing that the General Assembly has attached great urgency to the achievement of a comprehensive test ban.

In a statement on August 24, the U.S. Representative at the CCD reaffirmed the support of the United States for an adequately verified comprehensive test ban and presented our position on several of the key aspects of this issue. At the same time, the United States presented a detailed working paper which reviewed some of the current progress and problems in seismic verification. As we have often stated before, an adequate degree of compliance with an agreement by all parties to it must necessarily be assured if an agreement is to contribute to the basic objectives of greater security for all.

The progress that has been made in seismology has been heartening, and we are

proud of the contribution made by the U.S. scientists in this regard. Very-long-period seismic stations as well as some new large arrays have made it possible to improve the capability for detecting and identifying seismic events. Nevertheless, as our working paper showed, important problems remain. There are still, for example, a significant number of mixed events, including some fairly large-sized ones, in which the signals from smaller seismic events become hidden in those of larger earthquakes occurring at roughly the same time. These events create obvious difficulties in achieving an adequate degree of verification by national means alone. These difficulties are real and they are significant.

More work will need to be done on solving these problems as well as the continuing problem of possible treaty evasion through clandestine testing. The United States continues to devote substantial resources to efforts to solve these problems, both by utilizing its own means and by cooperating with other countries.

As Ambassador [Joseph] Martin made clear in speaking on this subject to the CCD on September 7 of this year:

A comprehensive test ban is not an impossible goal, difficult though it is. However, the technical, military, and political questions involved must be faced. We, for our part, are making the utmost effort to understand these questions and to propose what we believe are the necessary solutions in order to achieve an adequately verified comprehensive test ban.

The United States fully recognizes that in order to achieve a safer, saner world it is important not only to write new arms control agreements but it is equally important to gain the broadest possible participation in the existing agreements. During the past year, we have made some noteworthy progress in this respect.

After the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction was commended by the General Assembly last year,

the treaty was opened for signature in Washington, Moscow, and London on April 10, 1972. Almost 100 countries have already signified their intention to become parties to this landmark disarmament treaty. President Nixon has sent the treaty to the U.S. Senate for its advice and consent to ratification, and we hope the treaty can be brought into force during the course of the coming year.

The Treaty on the Prohibition of the Emplacement of Nuclear Weapons and Other Weapons of Mass Destruction on the Seabed and the Ocean Floor and in the Subsoil Thereof came into force on May 18, 1972, and has now been ratified by 37 countries. The number of countries participating in the Nonproliferation Treaty continued to grow during the past year, and we are hopeful that this trend will continue. I would like to take this opportunity to reiterate that my government continues to give full support to the objectives of the Nonproliferation Treaty. We consider this treaty to be one of the key disarmament agreements which deserve the broadest possible international participation.

On the related matter of safeguards, many states have negotiated appropriate safeguards agreements with the International Atomic Energy Agency pursuant to the NPT. Of particular importance, the Agency has recently completed safeguards negotiations with EURATOM [European Atomic Energy Community]. This will, hopefully, lead to early ratification of the Nonproliferation Treaty by the governments concerned. For its part, the United States has initiated talks with the IAEA for a safeguards agreement, pursuant to our unilateral offer to place U.S. nuclear activities, other than those of direct national security significance, under Agency safeguards at an appropriate time.

We all recognize that the complex area of arms control affects the national security of each country in the world. In no area is this more true than it is with the conventional weapons that each country needs to defend itself against possible external aggression and for the maintenance of internal

security. Nevertheless, we must recognize that the expenditure of large sums of money on these arms can compete with the resources available for economic and social development in both developed and developing countries. Substantial increases in conventional arms can also disturb existing military balances.

Conventional arms must therefore be considered along with the weapons of mass destruction if we are to move toward a structure of peace and security. It is our belief that the CCD should begin explorations in depth of this admittedly complex problem.

During the past year my government has given considerable thought to the questions raised by General Assembly Resolution 2833 (XXVI) with respect to a World Disarmament Conference. In the response to the Secretary General's request we have made known our position in very considerable detail. Permit me to outline briefly the nature of our views on a WDC.

The United States already supports and participates in different forums that we believe are making concrete progress in the area of arms limitations. We stand ready to provide assistance to and play our part in any discussions which appear likely to contribute to this end. For us, the sole measure of the value of disarmament mechanisms is their likelihood of contributing to the goal that we all share.

We do not believe, however, that a World Disarmament Conference could in fact contribute at this time to the achievement of concrete arms control agreements. The history of arms control efforts to date shows that there is no substitute for careful, patient negotiations. A large unwieldy conference would not provide the sort of atmosphere conducive to real progress; it could, indeed, be harmful to institutions that have already a record of proven accomplishments and that are conducting on-going negotiations. So far as the establishing of broad objectives is concerned, we believe that this committee, the First Committee of the General Assem-

bly, where all nuclear powers are present, is performing this task and it need not be duplicated by another forum.

As we pointed out in our letter to the Secretary General, the United States attaches importance to the maintenance of an "effective, expert and experienced body of limited size" to negotiate concerning arms control and disarmament.¹ It is, of course, desirable that such a body be broadly representative and include the major military and economic powers. The United States has repeatedly made clear in this connection that we would welcome the participation of all nuclear-weapon states in arms control and disarmament efforts in a manner satisfactory to those states and in a manner reflecting the interests and concerns of non-nuclear-weapon states.

For the many reasons we have indicated in our letter, we believe that the General Assembly should not now attempt to convene a World Disarmament Conference, to set a specific date for a conference, or to set up machinery for preparing for a conference. However, we believe it would not be inappropriate for the General Assembly, if a consensus of its members wishes to do so, to note in a resolution that a WDC could play a role in the disarmament process at any appropriate time.

The First Committee of the United Nations General Assembly has important responsibilities in the field of disarmament. It is primarily in this committee that nations have the opportunity to express their views on the entire range of disarmament issues. It is here in the First Committee that the world community can best work out priorities in the disarmament field, develop a consensus as to which measures are now ripe for negotiation in other forums, and express its concern or its satisfaction with the progress made in an area of unsurpassed importance to all countries and to all mankind.

The views expressed in the debates of the First Committee are important in stimulat-

¹ U.N. doc. A/8817, annex I, p. 75.

ing disarmament work. The committee plays an indispensable role in the continuing search for effective measures of arms control. No forward step in the field of arms control can be achieved unless it accords with the realities of world affairs. What better judge of those realities, and of both the problems and the opportunities they provide, can there be than the nations of the world assembled here in this building?

I have earlier noted a number of agreements which have been reached in recent years. In each case agreement was possible because the international climate was favorable. There was a general perception of both a need and an opportunity. More than that, each agreement was built upon the perseverance, hard work, and above all, patience of all involved. None would have been reached without the help of many nations, including those which did not participate directly in the negotiating process.

Some 25 countries from different regions of the world now take part in the work of the Geneva Disarmament Committee. Over the years, they have acquired considerable expert knowledge about a wide range of disarmament issues. They do not have any monopoly, however, on either expert knowledge or ability to put forward fruitful ideas. I need only recall the outstanding role played by Dr. [Arvid] Pardo, then the Permanent Representative of Malta, in initiating the work which led to the Seabed Arms Control Treaty. And this year the Government of Finland presented a useful, detailed working paper on the subject of chemical weapons to the CCD. I know I can speak for all CCD members in welcoming such contributions from all U.N. member states, whether these contributions are made here or in Geneva.

In our view, the years ahead are full of promise. We are all conscious of our responsibility to insure that the improvement we are witnessing in the world political situation is translated into concrete achievements in the disarmament field. We believe that it will prove possible to identify areas where additional progress can be made, taking ad-

vantage of the gradual relaxing of tensions now observable. The First Committee, I am certain, will continue to act as a spur to progress, as a force in overcoming inertia. Progress will not be easy—the same perseverance, hard work, and patience which were required will continue to be needed in the future—but that progress must and can be achieved.

My government welcomes this annual opportunity to review our objectives with the members of the committee. The U.S. delegation benefits greatly from this unexcelled opportunity to exchange views with other delegations, not only in the speeches and the debates in the committee but in the corridors as well. Not only the goal of disarmament but the process of accomplishing it belongs to all nations, and this committee is at the very center of that process.

TEXT OF RESOLUTION⁴

The General Assembly,

Reaffirming its resolutions 2454 A (XXIII) of 20 December 1968, 2603 B (XXIV) of 16 December 1969, 2662 (XXV) of 7 December 1970 and 2827 A (XXVI) of 16 December 1971,

Expressing its determination to act with a view to achieving effective progress towards general and complete disarmament, including the prohibition and elimination of all types of weapons of mass destruction such as those using chemical or bacteriological (biological) agents,

Noting that the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction has been opened for signature and has already been signed by a large number of States,

Convinced that the Convention is a first possible step towards the achievement of early agreement on the effective prohibition of the development, production and stockpiling of chemical weapons and on the elimination of such weapons from military arsenals of all States, and determined to continue negotiations to this end,

Recalling the provisions of article IX of that Convention,

Recalling that the General Assembly has repeat-

⁴ U.N. doc. A/RES/2933 (XXVII); adopted by the Assembly on Nov. 29 by a vote of 113 (U.S.) to 0, with 2 abstentions.

edly condemned all actions contrary to the principles and objectives of the Protocol for the Prohibition of the Use in War of Asphyxiating, Poisonous or Other Gases, and of Bacteriological Methods of Warfare, signed at Geneva on 17 June 1925.

Reaffirming the need for the strict observance by all States of the principles and objectives of that Protocol,

Having considered the report of the Conference of the Committee on Disarmament,²

Noting that a work programme, a draft convention on the prohibition of the development, production and stockpiling of chemical weapons and on their destruction, and other working papers, proposals and suggestions were submitted to the Conference of the Committee on Disarmament,

Conscious of the benefits to mankind that would result from the prohibition of the development, production and stockpiling of chemical weapons,

Desiring to create a favourable atmosphere for a successful outcome of these negotiations,

1. *Reaffirms* the recognized objective of effective prohibition of chemical weapons;

2. *Reiterates*, to this end, the request made by the General Assembly to the Conference of the Committee on Disarmament, in resolution 2827 A (XXVI), to continue negotiations, as a matter of high priority, with a view to reaching early agreement on effective measures for the prohibition of the development, production and stockpiling of chemical weapons and for their destruction;

3. *Stresses* the importance of working towards the complete realization of the objective of effective prohibition of chemical weapons as set forth in the present resolution and urges Governments to work to that end;

4. *Reaffirms* its hope for the widest possible adherence to the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction;

5. *Invites* all States that have not yet done so to accede to the Protocol for the Prohibition of the Use in War of Asphyxiating, Poisonous or Other Gases, and of Bacteriological Methods of Warfare of 17 June 1925 and/or ratify this Protocol, and calls anew for the strict observance by all States of the principles and objectives contained therein;

6. *Requests* the Secretary-General to transmit to the Conference of the Committee on Disarmament all documents of the First Committee relating to questions connected with the problem of chemical weapons and chemical methods of warfare;

7. *Requests* the Conference of the Committee on Disarmament to report on the results of its negotiations to the General Assembly at its twenty-eighth session.

² U.N. doc. A/8818-DC/235. [Footnote in original.]

TREATY INFORMATION

Current Actions

MULTILATERAL

Atomic Energy

Amendment of article VI of the statute of the International Atomic Energy Agency of October 26, 1956, as amended (TIAS 3873, 5284). Done at Vienna September 28, 1970.¹

Acceptance deposited: Mexico, December 22, 1972.

Aviation

Convention for the unification of certain rules relating to international transportation by air. Done at Warsaw October 12, 1929. Entered into force February 13, 1933; for the United States October 29, 1934. 49 Stat. 3000.

Accession deposited: Iraq, June 28, 1972 (with a declaration).

Convention on international civil aviation. Done at Chicago December 7, 1944. Entered into force April 4, 1947. TIAS 1591.

Adherence deposited: Bangladesh, December 22, 1972.

Convention for the suppression of unlawful acts against the safety of civil aviation. Done at Montreal September 23, 1971.

Ratifications deposited: Hungary (with a reservation), Republic of China, December 27, 1972.

Enters into force: January 26, 1973.

Biological Weapons

Convention on the prohibition of the development, production and stockpiling of bacteriological (biological) and toxin weapons and on their destruction. Done at Washington, London, and Moscow April 10, 1972.¹

Ratification deposited: Hungary, December 27, 1972.

Containers

International convention for safe containers (CSC), with annexes. Done at Geneva December 2, 1972. Enters into force 12 months from the date of deposit of the 10th instrument of ratification, acceptance, approval, or accession.

Signatures: Canada, Federal Republic of Germany, Switzerland, Turkey (with reservations), United Kingdom, United States.

Cultural Property

Convention on the means of prohibiting and preventing the illicit import, export and transfer of

¹ Not in force.

ownership of cultural property. Adopted at Paris November 14, 1970. Entered into force April 24, 1972.²

Ratification deposited: Niger, October 16, 1972.

Cultural Relations

Constitution of the United Nations Educational, Scientific and Cultural Organization. Done at London November 16, 1945. Entered into force November 4, 1946. TIAS 1580.

Signatures: Bangladesh, October 27, 1972; German Democratic Republic, November 24, 1972.

Acceptances deposited: Bangladesh, October 27, 1972; German Democratic Republic, November 24, 1972.

Customs

Customs convention on containers, 1972, with annexes and protocol. Done at Geneva December 2, 1972. Enters into force nine months from the date of deposit of the fifth instrument of ratification, acceptance, approval, or accession.

Signatures: Canada, Switzerland, Turkey (with reservations), United Kingdom, United States.

Hydrography

Convention on the International Hydrographic Organization, with annexes. Done at Monaco May 3, 1967. Entered into force September 22, 1970. TIAS 6933.

Ratification deposited: Philippines, September 21, 1972.

Ocean Dumping

Convention on the prevention of marine pollution by dumping of wastes and other matter, with annexes. Done at London, Mexico City, Moscow, and Washington December 29, 1972. Enters into force on the 30th day following the date of deposit of the 15th instrument of ratification or accession.

Signatures: Chad, Republic of China, Denmark, Finland, Italy,³ Lebanon, Liberia, Mexico, Norway, Panama, Portugal, Senegal, Sweden, Union of Soviet Socialist Republics, United Kingdom,³ United States, December 29, 1972.

Satellite Communications System

Agreement relating to the International Telecommunications Satellite Organization (Intelsat), with annexes. Done at Washington August 20, 1971. Enters into force February 12, 1973.

Ratifications deposited: Austria, December 22, 1972; Belgium, December 27, 1972.

Space

Convention on international liability for damage caused by space objects. Done at Washington, London, and Moscow March 29, 1972. Entered into force September 1, 1972.²

Ratification deposited: Hungary, December 27, 1972.

² Not in force for the United States.

³ With statement.

⁴ Includes Surinam and the Netherlands Antilles.

Trade

Convention on transit trade of land-locked states. Done at New York July 8, 1965. Entered into force June 9, 1967; for the United States November 28, 1968. TIAS 6592.

Ratification deposited: Chile (with a reservation), October 25, 1972.

Wheat

International wheat agreement, 1971. Open for signature at Washington March 29 through May 3, 1971. Entered into force June 18, 1971, with respect to certain provisions, July 1, 1971, with respect to other provisions; for the United States July 24, 1971. TIAS 7144.

Ratification to the Wheat Trade Convention deposited: Netherlands, December 28, 1972.⁴

Ratification to the Food Aid Convention deposited: Netherlands, December 28, 1972.

BILATERAL

United Kingdom

Agreement relating to trade in cereals, with annex.

Effected by exchange of notes at London July 1, 1971. Entered into force July 1, 1971. TIAS 7165.

Terminated: December 29, 1972.

PUBLICATIONS

Recent Releases

For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. Address requests direct to the Superintendent of Documents. A 25-percent discount is made on orders for 100 or more copies of any one publication mailed to the same address. Remittances, payable to the Superintendent of Documents, must accompany orders.

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Releases issued prior to December 25 which appear in this issue of the BULLETIN are Nos. 311 of December 18, 312 of December 19, and 315 and 316 of December 22.

No.	Date	Subject
†318	12/26	Rogers: death of former President Harry S. Truman.
*319	12/27	Advisory Commission on International Educational and Cultural Affairs to meet at New York Jan. 5.
†320	12/29	Signing of the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter.
†321	12/29	Draft legislation on immunities of foreign states.
†322	12/29	Rogers: death of former Canadian Prime Minister Lester B. Pearson.

* Not printed.

† Held for a later issue of the BULLETIN.

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THE DEPARTMENT OF STATE BULLETIN

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The Department of State BULLETIN, a weekly publication issued by the Office of Media Services, Bureau of Public Affairs, provides the public and interested agencies of the government with information on developments in the field of U.S. foreign relations and on the work of the Department and the Foreign Service.

The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements, addresses, and news conferences of the President and the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and on treaties of general international interest.

Publications of the Department of State, United Nations documents, and legislative material in the field of international relations are also listed.

U.S. Votes Against U.N. General Assembly Resolution Calling for Study of Terrorism

Following are statements made in Committee VI (Legal) of the U.N. General Assembly on November 13 and December 8 and 11 by U.S. Representative W. Tapley Bennett, Jr., and a statement made in plenary on December 18 by U.S. Representative George Bush, together with the text of a resolution adopted by the Assembly on December 18.

AMBASSADOR BENNETT, COMMITTEE VI

Statement of November 13

USUN press release 134 dated November 13

The problem before us is immediate. The problem is urgent. Life—the life of the innocent bystander—has been made cheap. Violence grows apace. To the shame of us all, violence has come in these times almost to assume the character of a spectator sport.

As the Legal Committee undertakes its consideration of international terrorism, it has the opportunity before it to take effective action to strengthen our common heritage of human rights against the arrogant demands and brutal depredations of violence.

This international violence knows no geographic parameters. Nor is it confined to any one political cause. Secretary Rogers, in his address before the General Assembly on last September 25,¹ had occasion to recall that the United Nations in the Declaration of Human Rights has affirmed the right of every human being to life, liberty, and security of person. He went on to cite a series of recent offenses against that individual security:

¹ For Secretary Rogers' statement on Sept. 25 and texts of the U.S. draft convention and draft resolution on terrorism, see BULLETIN of Oct. 16, 1972, p. 425.

—In Sweden, 90 people boarding an international flight made hostage and held for ransom by Croatian terrorists.

—In New York, shots fired into an apartment of the Soviet Mission where children were playing.

—In Czechoslovakia, a Czechoslovak pilot killed as his plane was hijacked and diverted to West Germany.

—In Munich, 11 Olympic athletes kidnaped and murdered in a daylong spectacle of horror witnessed on television throughout the world.

—In Cyprus, 95 persons of many nationalities narrowly saved from death on a Venezuelan plane when a bomb was discovered just in time.

Those traveling on a SWISSAIR plane on an international flight in Europe on February 21, 1970, were not so fortunate. Following an act of air sabotage, the Swiss plane crashed and all passengers and crewmembers were killed. Am I too dramatic in suggesting that the SWISSAIR flight was one on which any one of us in this room, or members of our families, might have been traveling?

During the seven weeks or more that we have been meeting in this committee, incidents have multiplied in number and in scope. Like an unchecked forest fire, the roar of violence is ever louder and it consumes its victims quite haphazardly and indiscriminately. A few examples reported in recent weeks—and this is far from an all-inclusive list:

—An Arab diplomat murdered in Rome.

—A postal employee in New York injured by a letter-bomb mailed from Malaysia.

- A plane hijacked from Mexico to Cuba.
- A plane hijacked from Turkey to Bulgaria.
- An attempted hijacking of a plane from Japan to Cuba.
- A postman, a secretary, and an office boy injured in Beirut by exploding parcel-bombs.
- Three persons injured in Libya by a parcel-bomb mailed from Belgrade.
- An airport security man injured in Cairo by a letter-bomb.
- Recent reports of letter-bombs posted into international mail channels from Amsterdam and New Delhi, from Belgrade and Singapore, from Bombay and Malaysia to a worldwide list of addressees in countries including Canada, Austria, Argentina, United Kingdom, Australia, Egypt, Brazil, Cambodia, Italy, West Germany, Jordan, and others.

These examples serve to illustrate the trend toward expanding the locus of violence and internationalizing this form of conflict. The threat crosses all geographic and ideological lines. It affects all nations and all peoples. Does it really matter to the innocent bystander, the victim, whence derived the attack or for what motivation, noble or ignoble? We are all of us, without exception, caught up in this deadly spiral of violence.

As Secretary Rogers, who represented the United States in this committee at an earlier General Assembly, said in September:

The issue is not war—war between states, civil war, or revolutionary war. The issue is not the strivings of people to achieve self-determination and independence.

Rather, it is whether millions of air travelers can continue to fly in safety each year. It is whether a person who receives a letter can open it without the fear of being blown up. It is whether diplomats can safely carry out their duties. It is whether international meetings—like the Olympic games, like this Assembly—can proceed without the ever-present threat of violence.

In short, the issue is whether the vulnerable lines of international communication—the airways and the mails, diplomatic discourse and international meetings—can continue, without disruption, to bring nations and peoples together. All who have a stake

in this have a stake in decisive action to suppress these demented acts of terrorism.

This is not an issue which should divide us here, for we all depend increasingly on means of international transportation and communication in this interdependent world.

To those who have expressed fears that action on international terrorism will adversely affect the right of self-determination, let me say that as a country which itself emerged from colonial status the United States knows firsthand the strivings of peoples for self-determination. Our adherence to this goal did not end when we achieved our own independence. We are proud to have contributed to the Declaration of Principles of International Law Concerning Friendly Relations Among States, which embodies for the first time in a declaration adopted by consensus the right of self-determination.² We would not be a party to any action which would adversely affect that right as set forth in that Declaration of Friendly Relations.

The issue before us, rather, is the need to make reasonable distinctions protecting rights while prohibiting the epidemic spread of violent attacks which threaten the very fabric of international order and the most fundamental of human rights. The United Nations system, both in the General Assembly and through the International Civil Aviation Organization (ICAO), has taken important steps to deal with threats or attacks against international civil aviation. They have been taken by General Assembly and Security Council resolutions and by multilateral conventions. They have recognized that such attacks threaten the lives of large numbers of innocent persons and, indeed, the very fabric of world society by undermining our common reliance on international transportation and communication. Because of general agreement that such acts are too serious to be tolerated, these steps have consequently been taken without regard for the motive behind the attack. These measures

² For text of the declaration, see BULLETIN of Nov. 16, 1970, p. 627.

can be importantly strengthened by adhering to and implementing General Assembly Resolutions 2551 (XXIV) and 2645 (XXV) and by implementing the Tokyo, Hague, and Montreal Conventions.³ They can be strengthened by working within ICAO for the prompt completion of a convention enabling the international community to cooperate in asserting its will on certain agreed principles in an orderly manner against anyone who seeks to stand against that will.

The United Nations has also recognized the unacceptability of threats or attacks against diplomats or other internationally protected persons. The work on this aspect of the broader problem will be completed when the Assembly at its 28th session carries the work of the International Law Commission on the protection of diplomats and officials of foreign governments and international organizations to conclusion by producing a convention and opening it for signature.

It is the view of the United States that we must now begin to address ourselves to the equally urgent problems resulting from the growing trend of private groups to export their conflicts abroad to countries not party to a particular conflict. The United Nations must leave no doubt as to the disapproval of the international community with respect to the unwarranted and unnecessary loss of innocent lives from the acts of international terrorism and the determination of the community to take preventive action.

Action by individual states and the cooperation of states must be sought. Furthermore, we believe the United Nations should commence work on a convention. The urgent convocation of a plenipotentiary conference to work out the provisions of a convention would be the most expeditious way to proceed.

The United States has tabled in this committee a draft of a Convention for the Prevention and Punishment of Certain Acts of International Terrorism.

We do not suggest that the tabled draft

represents the final or only answer to the problem. It is one approach to the problem, an approach which we believe meets the most serious threats of violence while at the same time remaining sensitive to the aspirations of peoples seeking to emerge from colonial status. We also believe in the utility of approaching the matter in terms of the acts involved. The draft convention consequently does not seek to define terrorism or to deal with all acts which might be called terrorism. Rather, it is a narrowly drawn convention which focuses on the common interest of all nations in preventing the spread of violence from areas involved in civil or international conflict or internal disturbances to countries not initially parties to the violence. The containment of violence within the narrowest feasible territorial limits has been a traditional function of international law in cases where it has been difficult to eliminate violence completely.

The convention is drafted so as to deal only with the most serious criminal threats: acts involving unlawful killing, serious bodily harm, or kidnaping. The mechanism employed to limit the convention's scope to those cases in which we believe there should be an international consensus for joint action is to require that each of four separate conditions must be met before its terms apply:

—First, the act must be committed or take effect outside the territory of a state of which the alleged offender is a national. The problem of maintaining civil order within a given country is of course primarily a domestic matter. Assume, for example, that a national of one state kidnaps in that state another national of the same state in an attempt to obtain the release of imprisoned persons. That act would be a crime under the state's criminal law and is not covered by the convention. One speaker suggested the purpose of this condition is to avoid restrictions on governments. I suggest that attention to the Declaration of Human Rights and existing Geneva Conventions as well as an examination of the other side of the coin of this

³For texts of the resolutions, see BULLETIN of Jan. 19, 1970, p. 70, and Jan. 4, 1971, p. 32.

limitation might allay some of those concerns.

—Second, the act must be committed or take effect outside the territory of the state against which the act is directed; that is, the convention is not aimed at conflicts taking place within a particular state and directed against that state even if nonnationals are involved. Though the involvement of nonnationals in civil strife is an important problem, it is a problem dealt with many times by the General Assembly, most recently in the unanimously adopted Declaration on Friendly Relations Among States. One exception permitted under the convention to this second requirement is that acts committed or taking effect within the territory of the state against which the act is directed would be covered if the act is knowingly directed against a nonnational of that state—an armed attack in the passenger lounge of an international airport, for instance. Such acts knowingly endangering foreign nationals have the same potential to involve other states as directly expanding the violence to their territory.

—Third, the act must not be committed either by or against a member of the armed forces of a state in the course of military hostilities. The draft convention is aimed at the largely unregulated activities of irregular groups or individuals. It does not seek to replace existing or emerging regimes of human rights in armed conflict such as the 1949 Geneva Conventions or the projected protocol for noninternational conflicts. Moreover, this third requirement also limits coverage to attacks against innocent persons.

—Fourth, the act must be intended to damage the interests of or obtain concessions from a state or an international organization. It is acts of international violence with which we are here concerned, and not ordinary crimes dealt with by national criminal codes.

Let me emphasize that all four of these conditions must be met for the convention to apply. And to repeat, the convention deals only with the most serious threats: acts involving unlawful killing, serious bodily

harm, or kidnaping.

Despite its precisely limited focus, the convention would cover most of the recent acts of international terrorism which have been evidencing the dangerous trend toward expansion of violence to states not parties to a particular conflict.

The draft is consistent with the Friendly Relations Declaration and does not speak to acts taken in response to the use of force to deny rights articulated in the declaration.

It should also be noted that the draft convention by its terms would yield to other more specialized conventions covering attacks against diplomats or civil aviation where applicable. For example, the recent hijacking in Sweden would be governed by the 1970 Hague Convention on Hijacking if there were a conflict in any respect between the Hague Convention and the draft convention. We have sought to concentrate as an urgent first step on those categories of international terrorism which present the greatest current global threat and which, ironically, have received the least attention.

By not seeking at this time to cover all types of international violence, we of course do not imply that all acts not covered are permissible. Many other kinds of terrorist acts, particularly the involvement of states in assisting terrorist groups or the use of force to deny the right of self-determination, are already prohibited under international law. They will remain illegal, wholly apart from this new convention. The draft convention's specific affirmation of the obligation of all states under the charter and other relevant conventions merely makes express what would otherwise be implicit.

Once the critical threshold of coverage is reached, the draft convention establishes substantially the same regime for dealing with offenses as the Hague Hijacking and Montreal Sabotage Conventions; that is, states parties to the convention would be required to establish severe penalties for covered acts and either to prosecute or extradite offenders found in their territory. There would be no requirement to return a person to a place in

which there is reason to believe he may be subjected to unfair treatment. The choice of extradition or prosecution is in the hands of the state in whose territory the alleged offender is found. The fundamental principle of *non-refoulement* is in no way impaired.

The preamble of the United Nations Charter expresses a determination not only to prevent violence but "to establish conditions under which justice and respect for the obligations arising from treaties and other sources of international law can be maintained." It would be strange indeed if the drafters of the charter had not expressed this need. The United States recognizes the logic and necessity of studying the underlying causes which lead men and nations to resort to desperate acts of violence. In the final analysis, the best means of bringing international terrorism to an end would be to resolve all international conflicts peacefully and equitably and to eliminate poverty and other social ills. Members of the United Nations must intensify their efforts to deal with the political and economic factors which create a sense of desperation—and perhaps with the psychological ones as well. This is surely a task for the entire United Nations system, and thus it is properly found in the preamble of the charter.

Progress in the identification and elimination of causes will, however, come slowly, and we cannot refuse to do anything simply because we cannot do everything. For that matter, it may well be impossible entirely to eliminate the threat of international terrorism, but this is no excuse for inaction. To take the position that nothing can be done on measures until the study of causes has been completed is to say that no treatment can be given the cancer patient until we know all the causes of cancer. Is there one among us here who, when faced with a diagnosis of malignancy in a member of his family, would say to the attending physician: "No, I am not ready for you to undertake treatment; we can only consider treatment after I have determined the cause of the cancer"? Similarly, we do not hesitate in our

domestic law to prohibit murder even though we have not eliminated all sources of injustice or identified all the causes which lead men to commit violent acts.

Let me offer a parallel which I believe well illustrates the philosophy of the United States toward dealing with the problem of international violence. In 1937 a committee of the Council of the League of Nations drafted a general Convention for the Prevention and Punishment of Terrorism. Unlike the draft convention we have tabled, it sought to define "acts of terrorism," and it sought to do so in the broadest of terms. It did not differentiate between civil and international conflict or between such conflicts and their spread to third countries. It included a visionary provision on gun control. Perhaps not surprisingly, the League convention was ratified by only two states and never came into force.

In contrast, we have sought here to limit coverage to the most serious international threats and to work toward a convention which can and should be adopted. In this respect, the new draft convention parallels earlier efforts aimed at the protection of civil aviation and diplomats. In each case we have sought to isolate a critical threat common to the international community as a whole—a threat we can all agree on, whatever our ideology or alignment—and to seek agreement on a narrowly drawn convention to deal with the problem.

A convention along the lines of our draft will not, by itself, make the world safe from international violence, but a failure by this Assembly to achieve practical moves in that direction could only encourage increased resort to anarchy, violence, and terror.

At the beginning of my remarks I asserted that this committee has before it the opportunity to take effective action against the serious and urgent problems deriving from the export of violence to innocent persons. Outraged and aroused by the increasing toll of innocent victims and the widening assault on the vital communication and transportation links which make modern life possible,

world opinion is today in ferment over the best means for combating the growing anarchy. International action will be taken, one way or the other.

If some governments are now more ready to act than others, there is talk of like-minded states agreeing among themselves on controls and sanctions with respect to transport and other facilities under their jurisdictions. Private groups such as airline pilot associations and labor organizations speak of acting in their own self-defense. There have already been some moves along these lines. Recent news dispatches on two successive days carried threats by British and Egyptian labor groups, respectively, to impose sanctions on their own responsibility. Such actions by groups of states rather than by the whole international community, or by private organizations, would be less than complete in their application and far from fully effective in their results. They might, in fact, do more harm than good to the delicately interwoven and interdependent structure of modern communication and transportation. Such activities would at the least detract from the long efforts to build an orderly structure of international law and should be of first concern to members of this committee.

How much more desirable for the United Nations to assume its proper role of leadership in matters of such multilateral—such worldwide—importance. The task of dealing with the effects of international violence on innocent persons is preeminently a role for the United Nations.

Much concern is being expressed nowadays in these halls and elsewhere that the United Nations is being bypassed on great issues of the day, that all too often the organization is not called on to contribute in attempts to find solutions to central world problems and conflicts. In one of the most remarked and admired statements of the recent general debate, the distinguished Minister for Foreign Affairs of Singapore spoke to this preoccupation. He found both large and small powers guilty of practices which contribute

to the decline of the world body. He spoke of the "style and temper of many United Nations resolutions." "Instead," he said, "of addressing ourselves to finding practical solutions to difficult and complex problems we give ourselves over to polemics and rhetoric." If these trends, indulged in by both the large and the small, continue, he asserted, "then the United Nations could become a meaningless and irrelevant organization—no more than an international social club for wearisome rhetoric."

On the issue before us we have undeniably one of those core problems—of sufficient urgency to the international community that in the general debate the representatives of no less than 92 sovereign states included a discussion of it in their statements before this world body. Here is an issue on which the credibility of international law itself is at stake.

My delegation believes the draft resolution we have tabled in support of the Secretary General's initiative provides a framework for responding to the urgent problem of international violence. We have suggested in our draft resolution a procedure we believe effective for carrying our vital work further. We hope the committee will give it careful consideration and take decisions for prompt and effective action, including the expeditious preparation of a convention.

It will not be easy to find an agreed resolution. The subject is an emotional one, with a wide range of opinions on both of the central aspects of the agenda item before us. Let us have a full and wide discussion of both aspects, and let us follow the wise advice of our chairman to avoid polemics. Let us at the end be able to look back on this discussion in the Legal Committee as a time when the United Nations reaffirmed to doubters in various parts of the world that it was able to deal effectively and fairly with a demanding problem which threatens all peoples everywhere. Let it not be able to be said that the United Nations in its love of rhetoric lost sight of simple humanity and the basic right of the individual to security of his person.

Statement of December 8

USUN press release 158 dated December 8

We have had a lengthy and wide-ranging debate on the subject of international terrorism—in fact, so wide-ranging that at times I was not sure I was in the Sixth Committee. We wandered far afield in our discussions of events, policies, weaponry, items, et cetera, that had either already been inscribed or were under discussion on the agenda of other committees, indeed, some already disposed of by other committees. The Middle East debate, for instance, has been going on in the great hall of this house, which is certainly the appropriate place for a debate of that importance. Some rather extraordinary statements were made about my country from time to time, but that's nothing new. Perhaps each speaker reveals something of himself—sometimes unwittingly—reveals something of his government's approach to this and other world issues. Each, of course, is the master of his own rhetoric.

For its part, the United States has not come here to indulge in polemics, and it will not do so. The United States has no intention of engaging in a competition of invective. We deplore it from whatever source it comes. What we in the United States are here for, and have steadfastly tried to do, is to take part in a serious consideration of a world-wide problem, the problem of the spread of violence by individuals or groups engaged in missions of international terrorism, the spread of that violence to innocent victims in third countries or in areas removed from the scene of the conflict. It is the killing or the maiming of those who have no relation whatsoever to a specific conflict, whatever that conflict, whatever the issue. That is our purpose here. It is that simple and that fundamental. It is not an issue confined to any one area or any one conflict.

I should like in that connection simply to review one aspect of international terrorism—the problem of aerial hijacking. A very interesting map was published in the November 18 edition of the *London Economist*, called the "Hijack Map—1972." The article pointed

out that as of the 15th of November, there had been 32 successful hijackings out of 63 attempts this year—32 out of 63 as compared with 26 successful hijackings out of 61 attempts in 1971. The 1972 figures, I repeat, go only to November 15.

The map shows where each attempt and each hijack occurred, and these attempts occurred around the globe: in North America, Central America, the Caribbean, South America, eastern Europe, northern Europe, southern Europe, western Europe, north Africa, west Africa, southern Africa, and in Asia, in the Middle East, in the great sub-continent, in Southeast Asia, in Australia, and in islands in the Pacific. Until this morning's news, east Africa was the only major region of the world where there had been no hijack attempt made this year. This morning's distressing news should cause us to ponder. Seven more people killed, seven wounded, and the plane with a great hole in its side so that it barely limped back to its port—that surely shows the dimensions of the problem.

The serious letter-bombing campaigns since September have taken place, as we know, in every part of the world, on every continent, and have engaged innocent victims of many nationalities.

I repeat, the cancer still spreads. Yet there are those who would tell us: Let us not have any treatment, we must find out the cause before we wish to submit ourselves to treatment.

I would like to take a moment and repeat once more for the committee a statement made by Secretary Rogers in his general debate statement here at the United Nations on this question of international terrorism. Secretary Rogers said:

The issue is not war—war between states, civil war, or revolutionary war. The issue is not the strivings of people to achieve self-determination and independence.

Rather, it is whether millions of air travelers can continue to fly in safety each year. It is whether a person who receives a letter can open it without the fear of being blown up. It is whether diplomats can safely carry out their duties. It is whether

international meetings—like the Olympic games, like this Assembly—can proceed without the ever-present threat of violence.

I submit that this is not an issue which should divide us. It is a human problem, not a political problem. We should have a common interest in the transportation and communication facilities which are so vulnerable and which bind this increasingly interdependent world together. I would also repeat again, as I have said many times before, that in the resolution which the United States has proposed and in the actions that we would favor, we have not and we would not be a party to any action which adversely affected the right of self-determination.

In the resolution which the United States introduced in September, we proposed specific but restricted steps. Our draft resolution expresses concern at the increasing frequency of serious acts of international terrorism. We deplore the tragic, unwarranted, and unnecessary loss of innocent human lives, and we go on to other preambular paragraphs. In the operative portion of the resolution, we call on states to become parties to and implement several international aviation conventions; and we request the International Civil Aviation Organization to pursue as a matter of urgency the drafting of a further convention. In another operative paragraph, we call on all states to become parties to a convention on the prevention and punishment of crimes against diplomatic agents and other internationally protected persons. And then in our resolution we ask the Assembly to decide to convene a plenipotentiary conference to consider the adoption of a convention to meet this problem of individual, of innocent, victims of international violence.

It is a simple resolution devoted to specific purposes. The draft convention which my government has tabled was drafted so as to deal only with the most serious criminal threats: acts involving unlawful killing, serious bodily harm, or kidnaping—an effort to take one more step in the erection of a viable structure of international law for the

protection of all of us.

However, despite numerous pledges of support—delegates who have come to us and said they preferred our draft to the other two before the house—others have regarded our position as an extreme position. It is apparent that our suggestion of a plenipotentiary conference early in 1973 has struck many members of this body as too early to allow adequate preparation. I accept that judgment.

Having spoken a bit of my own resolution and acknowledging that it is considered by some to be extreme, I would now speak a bit to the resolution at the other end of the table, that proposed by Algeria and others. I would say that if my resolution is at one extreme, then the Algerian resolution is the other extreme. If some felt that the U.S. draft was deficient and gave insufficient attention to the causes of international terrorism, then one must in all candor conclude after reading it that the Algerian draft deals almost exclusively with causes. One searches in vain throughout the operative paragraphs of that resolution for the word “measures,” for any hint of action to meet this threat. The resolution establishes a committee, but it adopts no time limit for its work. I can easily see that sort of committee spending an entire year discussing its terms of reference, because there are no terms of reference.

In short, it seems to me that that resolution is far more extreme than mine. In essence, if it were adopted here, we would have a prescription for talk and we would have to say to the outside world when we are asked what did the Sixth Committee accomplish, we would say, well, we have talked all fall about this issue, we have now agreed to talk all during the next year about it, and we are going to consider the subject, too, and we will then come back to New York next fall for the 28th Assembly, and we will talk about the subject again then.

I submit that the United Nations must do better than that. Now, I know that we lawyers are wont to beguile ourselves with obfuscations, with learned syllogisms, and now

and then with a bit of sophistry. We all enjoy that. Through such means we may deceive ourselves that we are taking action here. But I don't think we would deceive the public. The reason that this is such a public issue is that the issue of violence against innocent victims, victims far removed from the scene of the conflict of the day, is a worldwide issue. There are other issues before this committee and before this Assembly which have extreme emotional content in them, but they are issues which deal primarily with one or another region, even though they may have much wider connotations than that region. They may be very intractable issues which will take a long time—issues with which this body is constantly concerned and with which it will continue to be concerned—to try to work out some means to meet these regional problems.

But the export of violence to individual victims can happen anywhere at any time. That is why I think it has such a hold on the public imagination—because it can affect any man, woman, or child.

Now, there have been many efforts to bridge the gap between these two extreme positions, the U.S. extreme and the Algerian extreme. I have participated in some rather lengthy meetings myself, one of five hours yesterday, and I have become convinced that, regrettably, the issues of principle that divide us are very deep here. The issue is between those like the United States, who think that while studying the problem, while giving further research to this disease, that we should also have some treatment, we should have some therapy to go along with the study, with the research.

The difference is with those who wish to give their full time to the study and who do not wish to move toward any effective international action. I have come to the regrettable conclusion that it is not possible to bridge that gap. For five hours we met last evening, and we talked about it in every way. I think there was a sincere effort to find an agreement. We asked direct questions, and we asked indirect questions, and we made

statements, but we could not get the Algerian Representative and his colleagues to accept one single word of language which had to do with international legal measures.

Now, this is an international legal committee, but those words "international legal measures" were simply not acceptable to the other side. They are rather weak words to my extreme point of view—since I think we should move toward a convention—and to those here who think we need a convention, but we couldn't get even that much.

Now, our Algerian friends are quite forthright in their position. I appreciate their honesty and I admire them as a people, but we do have a difference here. And it is not just between the two of us. This involves all of us who believe that this is an issue of such urgency as to require some action as compared with those who do not.

Now, there has been an effort for a middle ground. There is a middle-ground resolution before the house. That is the resolution introduced by Italy, with other cosponsors. A great deal of effort has been put into that, and those middle-ground cosponsors were present at these lengthy meetings which have been held. I would suggest that as we consider this further and go forward in consideration of these resolutions, that both of us in the extreme positions might look toward the center.

I am quite ready to cede my position, cede my priority to the middle-ground resolution, and I would urge that course on the other extreme so that we can look at the middle and see where we can find agreement, so that at the end of this long debate the United Nations, the Sixth Committee, can take action which shows that it can face up to the clear challenge before us and to begin some meaningful action to cope with this scourge which affects us all.

Statement of December 11

USUN press release 163 dated December 13

In explaining the U.S. vote, there is of course no necessity to discuss our draft resolution, since I have already ceded priority

over that resolution to resolution 879, which is being sponsored by Italy and other powers.

Regrettably, my delegation would find it necessary to vote against resolution 880 as sponsored by Algeria and other powers. It seems to us that this resolution is defective in that it has made a political problem out of what to my delegation is essentially a human problem, a problem involving the right of every individual to the security of his person as promised him under the Declaration of Human Rights.

In resolution 880 regional concerns have been given priority over what to my delegation should be our common concern, our world concern, for the protection of the individual everywhere.

Now, regional problems—and I refer particularly to the southern African problem—are very serious problems. That particular problem in its several aspects is a most intractable one, as we all know. It requires and it receives, and it deserves to receive, the constant attention of various committees of the General Assembly, of the Security Council, and of all the constituent bodies of our organization. One does not need to over-emphasize the difficulty of achieving the objectives that we all share as we seek solutions for those great human problems.

But I have no doubt that in company with the force of nature and the passage of time, we are going to find the solutions. The current of history is very plainly moving. And the current of history is like a mighty stream. Man can try to control its flow, can try to hasten and try to help it along, but the current is greater than man himself. And so I have every satisfaction in the confidence that the southern African problem is going to have a solution, and we are all going to keep on working until we have it.

But if we put all of our human problems into one package and say that we must work on all of them at once, then I fear we are not going to get much progress on any one of them. With respect to the specific acts of international terrorism that we have discussed in this committee, we ought to be

able to seek measures to prevent those acts while we are working on other problems.

The result, in the opinion of my delegation, of the adoption of resolution 880 would be to provide an indefinite delay on any meaningful action on this export of violence to innocent human beings far removed from the scene of the conflict. Indeed, some of the sponsors, not all of them, but some of the sponsors of resolution 880, have made it clear in the corridors and elsewhere that they do not wish to have any action on international terrorism. The resolution, it seems to me, is drafted to provide that kind of indefinite delay, no matter how much some of the cosponsors may wish to have action.

The adoption of resolution 880 would be a clear signal to the world that the United Nations as a body has chosen to take minimal action rather than meaningful action on this very urgent problem. And that will mean, as I said in my opening remarks in this debate, that others will take over the handling of this issue. The United Nations will lose what ought to be its preeminent role on what is undeniably a world problem. We ought to think about that. We ought to be clear as we vote today whether we wish to abdicate our position as the central organ for action on world problems.

As one of those who had the privilege of being at San Francisco at the original writing of the charter, I remember the high hopes of those days. We have not achieved all those hopes. We have not yet realized the high objectives of the charter. But, with all of its imperfections, the United Nations is the only world body we have to work on world problems. I would hope those who value the institution would think—would consider carefully—whether we should take a side step around an urgent and immediate issue of such general international concern.

With respect to the amendments presented by the delegates of Saudi Arabia and Lesotho, they are well meant and offered in an effort to bridge a gap which exists. They do not, I am sorry to say, seem to me adequate to the need.

My delegation is able to support and will support resolution 879, which represents an effort at a middle ground in the situation. This resolution provides for a full study and a full analysis of the underlying causes of those forms of terrorism and acts of violence which lie in misery, frustration, grievance, and despair and which cause some people to sacrifice human lives, including their own, in an attempt to effect radical changes.

The action proposed and the study proposed under resolution 879 stresses the rights of every government and of all people to sovereign equality, to equal rights, and to self-determination. Concurrently with this full and comprehensive study and analysis, which we all agree is necessary, the resolution provides for some meaningful action on measures to prevent international terrorism. Resolution 880 is conspicuously silent on the question of measures in its operative paragraphs.

Resolution 879 requests the International Law Commission to prepare a convention for submission to the 28th session of the General Assembly. Such an approach would provide an opportunity for an impartial and balanced review of the requisite legal measures by 25 experts who have been elected by the General Assembly.

Now, in the event that the convention to be produced by this representative group of experts should not be broadly acceptable to the international community, it would of course not win support and therefore it would not be adopted. If, however, the International Law Commission performed with its usual high standard of excellence, then the convention could subsequently be adopted. Of course, the convention would not be adopted if it were opposed by one-third of the states present and voting. And in the event a minority of states comprising not even one-third of the international community were not prepared to associate themselves with the convention thus produced, they of course would be under no obligation to become parties to it.

Now, I ask, where is the danger in such a process? Who is being carried along beyond his own sovereign wish? How is he asked to take part in action with which he does not agree? What body of opinion in the organization would be deprived of any of its interests by this approach?

To speak against this process is to speak against the very manner in which the international community has organized itself.

There are those who say it takes at least three years to write a convention. I would dispute that. I think the will is more important than the time. If there is a will, the way can be found.

Some have referred to the convention written by the League of Nations, and I would recall that three years were spent on that. The end product received the approval of only two states. Time is not the real determinant.

Since we are talking of the League of Nations and since others have referred to it earlier, I recommend we search our consciences on this and look at the parallel with today. This parallel is being drawn at this time in many places within and without this organization. Let us recall that the League of Nations grew increasingly unwilling or unable to come to grips with the realities of its day. It faded away into the mists of history, the sunset of its passage warmed only by the roseate glow of some superb oratory.

As one who believes in this organization and who sees it as the best hope for a world effort to bring fulfillment to those who now are lacking in rights and who deserve to have their rights, to provide security for all, to lift up the standard of living of all mankind, I would hope that we would act here so as to avoid a parallel with the fate of the League of Nations. I do not wish to exaggerate and say what we do here today, this one decision, is going to cause the United Nations to come tumbling down. Obviously not. I would not want to be involved in an exaggeration. But this is an important issue, a world issue, as we have agreed earlier.

Ninety-two speakers in the general debate, representing the governments of 92 sovereign countries, gave their attention to this urgent problem. Our decision on this issue is important evidence of our general intent. We should take meaningful action, rather than minimal action, on the menace of international terrorism.

The United States will vote therefore against resolution 880 and in favor of resolution 879.⁴

AMBASSADOR BUSH, PLENARY, DECEMBER 18

USUN press release 166 dated December 18

International terrorism poses a threat to all mankind—to individuals and to the developmental processes of nations. It poses a threat to the delicately interwoven network of modern transportation and communication facilities on which every country is dependent as it seeks to sustain or improve the life of its citizens. It poses a threat to the postal worker who sorts the mail and to the recipient of those letters. It poses a threat to the passenger who travels on an airplane and to the innocent passerby on the street.

Incidents of terrorist activity causing death and serious injury have taken place in every continent of the world and the islands in between. The dead and injured include the poor as well as the rich, men, women, and children of every race and religion. No one, no one of us, is immune from this scourge of violence.

It is understandable why the Secretary General took the exceptional step of bringing the item before this Assembly. It is understandable why public opinion, moved by a sense of personal involvement as in few other issues, takes a special interest in the problem of international terrorism.

The United Nations was given the opportunity to prove that it was capable of rising to the challenge of this world issue. It is

an issue which should have united us in common purpose.

It is therefore with genuine regret that I announce that my delegation will vote against the resolution contained in the report of the Legal Committee.⁵ We have only after lengthy and painful soul-searching determined our position. We would very much like to have been able to vote at this 27th Assembly in favor of a resolution on international terrorism, but we could not in good conscience vote affirmatively on the resolution before us.

In order for us to have voted affirmatively, we would have needed a resolution which reflected an accurate and meaningful expression of the attitude of the international community toward random acts of violence which threaten the security of the individual enshrined in the Declaration of Human Rights, which threaten the right to life itself. If acts are to be condemned then surely acts of the type which produced the atrocity of Munich, the killing and wounding of airline pilots and passengers on several continents in incidents which put the lives of hundreds of travelers in mortal danger, letters which explode in the hands of the recipient or maim postmen involved in their duty of serving the public, must be among those condemned. We would also have needed a resolution which established an objective process that could reasonably be expected to lead to concrete measures. We proposed a plenipotentiary conference. Others suggested the International Law Commission as a first step in the process. Neither of these approaches could have deprived states members of the right to determine for themselves precisely what concrete measures they would be willing to take. Yet we find neither approach set forth in the resolution.

The resolution before us fails to meet either of these basic criteria of an adequate expression of community views and a program for future action.

The resolution, moreover, has other seri-

⁴ Draft resolution A/C.6/L.880/Rev. 1 was adopted by the committee on Dec. 11 by a vote of 76 to 34 (U.S.), with 16 abstentions. Draft resolution A/C.6/L.879/Rev. 1 was not pressed to a vote.

⁵ U.N. doc. A/8969.

ous defects. But now is not the time for recrimination or for bickering over formulations which are so drafted as to be susceptible of being interpreted as aimed at raising rather than lowering the level of violence in our troubled world.

It is incumbent upon all of us to ask ourselves whether the General Assembly has risen to the challenge, whether it has given grounds for believing that it has the ability to respond to the needs of mankind. Does the resolution before us today represent the best we could have achieved? Does it represent the sum of the individual views of states members? Is it a true expression of the general will among us? Does it represent the views expressed by the assembled ministers during the general debate? Has there been an opportunity to negotiate toward the best possible goal? Has each state freely expressed its will on the matter? Can we say that the Assembly is functioning in a way such as to maximize international cooperation? Have we taken full advantage of the rich opportunities afforded by the United Nations system?

These are neither easy nor pleasant questions to have to ask ourselves. We believe the answers are profoundly disturbing.

This session has had some positive achievements, has taken forward steps in important fields, such as the human environment, the law of the sea, and earth resource surveying by satellite, that bring hope to us all. It is tragic that an adequate response to the deadly menace of international terrorism is not among the achievements of the 27th General Assembly.

We must not let our failure thus far to find common ground on this problem deter us from the continued search. Those who will continue to be directly associated with the work of this potentially great world body must not lose heart. The time between now and when this Assembly next convenes should be used to demonstrate that this institution need not and must not be a captive of its present failures in this field. We should neither gloss over what has happened nor

let our current despondency become a self-fulfilling prophecy of impotence.

The deeper currents of history are not always visible on the surface, but I am convinced that an international community of wider opportunity and greater security for the individual is forming. These currents will continue to flow.

My government will continue its positive efforts to find a solution to the problem of international terrorism through the machinery of the United Nations if at all possible. We call on all other members to join in that effort. For the alternatives to working through the United Nations are bilateral efforts and efforts of groups of states and of individuals. There may be no alternative to such efforts, although we recognize that they can have neither the authority nor the overall effectiveness of measures taken through this great world body. They can only be a pale substitute born of the necessity to take partial steps at a time when broader ones prove impossible. When our inaction here forces states to look outside the United Nations, we weaken the only worldwide mechanism for international cooperation that exists. We deprive mankind of the hopes so eloquently set forth in our charter.

Let us make assets of our current failure. Let us use it as a spur to make the United Nations system function with greater effectiveness on the urgent problems of our day.

TEXT OF RESOLUTION^a

The General Assembly,

Deeply perturbed over acts of international terrorism which are occurring with increasing frequency and which take a toll of innocent human lives,

Recognizing the importance of international cooperation in devising measures effectively to prevent their occurrence and of studying their underlying causes with a view to finding just and peaceful solutions as quickly as possible,

^a U.N. doc. A/RES/3034 (XXVII) (draft resolution contained in A/8969, as amended in plenary); adopted by the Assembly on Dec. 18 by a rollcall vote of 76 to 35 (U.S.), with 17 abstentions.

Recalling the Declaration on Principles of International Law concerning Friendly Relations and Co-operation among States in accordance with the Charter of the United Nations,

1. *Expresses deep concern* over increasing acts of violence which endanger or take innocent human lives or jeopardize fundamental freedoms;

2. *Urges* States to devote their immediate attention to finding just and peaceful solutions to the underlying causes which give rise to such acts of violence;

3. *Reaffirms* the inalienable right to self-determination and independence of all peoples under colonial and racist régimes and other forms of alien domination and upholds the legitimacy of their struggle, in particular the struggle of national liberation movements, in accordance with the purposes and principles of the Charter and the relevant resolutions of the organs of the United Nations;

4. *Condemns* the continuation of repressive and terrorist acts by colonial racist and alien régimes in denying peoples their legitimate right to self-determination and independence and other human rights and fundamental freedoms;

5. *Invites* States to become parties to the existing international conventions which relate to various aspects of the problem of international terrorism;

6. *Invites* States to take all appropriate measures at the national level, with a view to the speedy and final elimination of the problem, bearing in mind the provisions of paragraph 3 above;

7. *Invites* States to consider the subject-matter urgently and submit observations to the Secretary-General by 10 April 1973, including concrete proposals for finding an effective solution to the problem;

8. *Requests* the Secretary-General to transmit an analytical study of the observations of States submitted under paragraph 7 above to the *ad hoc* committee to be established under paragraph 9;

9. *Decides* to establish an *ad hoc* committee consisting of thirty-five members, to be appointed by the President of the General Assembly bearing in mind the principle of equitable geographical representation;

10. *Requests* the *ad hoc* committee to consider the observations of States under paragraph 7 above and submit its report with recommendations for possible co-operation for the speedy elimination of the problem, bearing in mind the provisions of paragraph 3, to the General Assembly at its twenty-eighth session;

11. *Requests* the Secretary-General to provide the *ad hoc* committee with the necessary facilities and services;

12. *Decides* to include the item in the provisional agenda of its twenty-eighth session.

172d Plenary Session on Viet-Nam Held at Paris

Following are remarks made by Ambassador William J. Porter, head of the U.S. delegation, at the 172d plenary session of the meetings on Viet-Nam at Paris on January 4.

Press release 1 dated January 4

Ladies and gentlemen: At the new year it is appropriate to examine the tasks before us and to renew our resolve to complete them. It is not a time for rancor or propaganda, but instead for applying ourselves to the measures which will restore a just and lasting peace in Indochina.

There is much to distinguish this new year of negotiations from those which preceded it—those four years of largely sterile exchanges which only developed last October into a phase which can today be described as a serious negotiating process.

But my purpose today is not to review this record, much less to assign blame. It is rather to look ahead to what the year may bring if we continue on the wise path of negotiations. We would see this year as marking, at last, the concluding phase of this protracted conflict and the beginning of an entirely new era of relationships, not only between the United States and North Viet-Nam but between North and South Viet-Nam and among all the nations of the Indochina region. These relations, of course, must be founded on those very principles of mutual respect and the search for reconciliation which are at the heart of the Viet-Nam settlement. All the participants in this conflict have gone through their share of suffering and sacrifices; all have shown their share of determination and heroism; all have persevered against enormous odds in the cause which they considered just and worth dying for. What we have now to do is to start afresh, having learned lessons from this painful history, and apply those lessons both to the concluding phase of these negotiations for a settlement in Viet-Nam and to

the new state of regional relationships which can now develop.

All this will require continuing work, patience, and a large measure of understanding for continued differences of view and continued suspicions which cannot overnight disappear. I am not inclined at all to underestimate the problems which exist and which will face us still for some time. But what we must now do is to put all of our energies and abilities to the service of a new and constructive set of relationships, to the rebuilding and to the healing tasks which will be paramount.

In this effort, the United States will not be found wanting.

Ocean Dumping Convention Signed at Washington

The Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter was opened for signature at Washington, London, Mexico City, and Moscow December 29.¹ Sixteen nations signed the convention at Washington that day. Following are a Department announcement issued December 29 and remarks made by Acting Secretary U. Alexis Johnson at the signing ceremony at the Department of State.

DEPARTMENT ANNOUNCEMENT

Press release 320 dated December 29

Acting Secretary U. Alexis Johnson signed on December 29 for the United States the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter. The ceremony at the Department of State involved representatives of other countries who also signed the convention for their respective governments. Similar signing ceremonies were held that day at London, Mexico City, and Moscow, the capitals of the other depositaries.

¹ For text of the convention, see BULLETIN of Dec. 18, 1972, p. 711.

Acting Secretary Johnson in his remarks to the group of Ambassadors and other officials noted that this convention marked a unique step by nations to protect our global ocean resources from further pollution due to dumping. As the first positive action completed pursuant to recommendation by the Stockholm 1972 United Nations Conference on the Human Environment, the Ocean Dumping Convention requires parties to establish national systems to control substances leaving their shores for the purpose of being dumped at sea. Annex I of the convention contains a "blacklist" of prohibited substances: mercury and cadmium and their compounds, organohalogen compounds such as DDT and PCB's, persistent plastics, oil, high-level radioactive wastes, and chemical and biological warfare agents. Annex II lists substances requiring special permits in each case: heavy metals, lead, copper, zinc, also cyanides and fluorides, waste containers which could present a serious obstacle to fishing or navigation, and medium- and low-level radioactive wastes. Substances not listed in Annex I or II require a general permit, and all dumping must be carried out with full consideration given to a list of technical considerations contained in Annex III.

The convention provides that each party will take appropriate steps to insure that the terms of the convention apply to its flag ships and aircraft and to any vessel or aircraft loading at its ports for the purpose of dumping. Full use is to be made of the best available technical knowledge which together with periodic meetings and participation by appropriate international technical bodies will keep the contents of the three annexes up to date and realistic in meeting ocean pollution control needs stemming from ocean dumping.

Although ocean dumping accounts for less than 10 percent of the pollutants that enter the oceans—rivers and other drainage and the atmosphere being the two major routes for such pollutants—this convention is significant in that it demonstrates that governments can agree on practical measures to control their necessary and common resources. Possibly the next step will be inter-

national control of pollutants entering the oceans through rivers.

The convention calls for signature by governments between December 29, 1972, and December 31, 1973, followed by ratification. Thereafter, governments may accede to the convention by depositing the appropriate instruments with the depositary governments. Mexico, the U.S.S.R., the United Kingdom, and the United States are depositaries, with the Government of the United Kingdom acting as the major administrative depositary. Within four months after the deposit of 15 instruments of ratification, the first meeting of the parties will be held to adopt normal organizational matters and to select an existing, competent international organization to be responsible for secretariat duties relevant to the convention.

An early draft of this convention was introduced by the United States in June 1971 following the proposal by President Nixon in February of that year requesting that international control procedures be established that would be compatible with proposed domestic ocean dumping legislation. U.S. domestic legislation was signed into law by the President on October 23, 1972, and will require only minor modification to be fully consistent with this international treaty. The executive branch plans to request Senate advice and consent to the ratification of the treaty early in 1973. Anticipating such Federal action, the Department of State issued a draft environmental impact statement on the convention on October 11, 1972, and held hearings on October 26, 1972. A final impact statement will be issued in the near future.

The United States, in keeping with normal protocol in the case of a multiple depositary treaty, signed the convention December 29 at all four depositary capitals—Mexico City, Moscow, London, and Washington.

REMARKS BY ACTING SECRETARY JOHNSON

It is a pleasure to welcome each of you to the opening for signature of the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter. The

Government of the United States shares depositary duties for this convention with the Governments of Mexico, the Soviet Union, and the United Kingdom.

Nearly two years ago, representatives of over 30 countries met in London to consider means for controlling and preventing marine pollution. This was the first meeting of the Intergovernmental Working Group on Marine Pollution, one of five such groups preparing separate subjects for the 1972 United Nations Conference on the Human Environment held at Stockholm in June. An early draft of this convention was discussed at that meeting. The participants believed that such a convention was possible and was necessary, although it would be only one small step on the road to proper management of our oceans.

After that London meeting, work at Ottawa, Reykjavik, and again at London showed sufficient progress for the Stockholm Conference to recommend that a final meeting be called to complete work on the text and that the agreed convention be opened for signature before the end of this year.

Representatives of 91 nations, many of which are represented here today, spent many long hours at London during the period of October 30 to November 13 (Saturdays and Sundays included) and produced the text we are opening for signature today. Similar ceremonies are being held today at the capitals of the other depositaries—London, Mexico City, and Moscow.

I believe this is a historic occasion. This is the first international treaty devoted to environmental protection on a global basis. Parties to the convention will be agreeing to restrict their use of the oceans as a dumping ground, for the long-term benefit of all of us, particularly our future generations.

The United States is concerned about its environment and has initiated many activities on a broad front to cope with these problems. We share our environment with many other nations, and we are eager to work with others toward common objectives. We look forward to working with other governments in making this treaty an effective initial effort in controlling ocean pollution.

Former President Truman Mourned by the Nation

Former President Harry S Truman died December 26. Following are statements by President Nixon and Secretary Rogers issued that day.

STATEMENT BY PRESIDENT NIXON

White House press release dated December 26

Harry S Truman will be remembered as one of the most courageous Presidents in our history, who led the Nation and the world through a critical period with exceptional vision and determination.

Our hopes today for a generation of peace rest in large measure on the firm foundations that he laid.

Recognizing the new threat to peace that had emerged from the ashes of war, he stood boldly against it with his extension of aid to Greece and Turkey in 1947; and the "Truman doctrine" thus established was crucial to the defense of liberty in Europe and the world. In launching the Marshall plan, he began the most farsighted and most generous act of international rebuilding ever undertaken. With his characteristically decisive action in Korea, he made possible the defense of peace and freedom in Asia.

He was a fighter, who was at his best when the going was toughest. Like all political leaders, he had his friends and his opponents. But friends and opponents alike were unanimous in respecting him for his enormous courage and for the spirit that saw him through whatever the odds. Whether in a political campaign or making the great decisions in foreign policy, they recognized and admired him—in a description he himself might have appreciated the most—as a man of "guts."

Embroiled in controversy during his Presidency, his stature in the eyes of history has risen steadily ever since. He did what had to be done, when it had to be done, and because he did the world today is a better and safer place—and generations to come will be in his debt.

It is with affection and respect that a grateful Nation now says farewell to "the man from Independence"—to its 33d President, Harry S Truman.

STATEMENT BY SECRETARY ROGERS

Press release 318 dated December 26

The death of Harry S Truman saddens all Americans. President Truman served his country in three great wars and in trying years of precarious peace. His decisions determined America's postwar course. The monuments to his wisdom and humanity survive in the restored vitality of nations demolished by war, in a great peacetime alliance of wartime allies, and in the hearts of once threatened but still free peoples. We mourn the loss of this great and courageous man.

Mrs. Rogers joins me in this expression of our deepest sympathy and profound regard to Mrs. Truman and her family.

Waiver of Transit Visas Suspended for Additional Period

Following is the text of a notice of extension of suspension which was published in the Federal Register on December 22.¹

NONIMMIGRANT DOCUMENTARY WAIVER; SUSPENSION

In view of indications that the possibility of the commission of terrorist acts in the United States remains high, of the continued presence in the United States of aliens against whom such acts might be directed, and of the possibility that such acts might be directed against U.S. citizens or their property as well as against aliens, it has been determined that there is a continuing emergency situation in which the need for advance screening of aliens seeking admission into the United States requires the suspension for an additional period of the provision for admission of aliens in immediate transit without a visa. Therefore, Part 41, Chapter I, Title 22 of the Code of Federal Regulations is amended by suspending until July 1, 1973, the waiver of the nonimmigrant visa requirement in the case of aliens in immediate transit.

¹ 37 Fed. Reg. 28286.

Paragraph (e) of § 41.6 is suspended until July 1, 1973.

Effective date. The amendment to the regulations contained in this order shall become effective upon publication in the FEDERAL REGISTER (12-22-72).

The provisions of the Administrative Procedure Act (80 Stat. 383; 5 U.S.C. 553) relative to notice of proposed rule making are inapplicable to this order because the regulations contained herein involve foreign affairs functions of the United States.

(Sec. 104, 66 Stat. 174; 8 U.S.C. 1104)

Dated: December 15, 1972.

[SEAL]

WILLIAM P. ROGERS,
Secretary of State.

Concurred in: December 18, 1972.

RICHARD G. KLEINDIENST,
Attorney General.

Oil Import Program Modified by President Nixon

A P R O C L A M A T I O N ¹

MODIFYING PROCLAMATION NO. 3279, RELATING TO IMPORTS OF PETROLEUM AND PETROLEUM PRODUCTS

The Director of the Office of Emergency Preparedness, with the advice of the Oil Policy Committee, has under consideration a number of substantial proposals relating to the management of the oil import program under Proclamation No. 3279,² as amended. Pending final decisions and announcements on those proposals, he has recommended that the Secretary of the Interior be delegated authority to provide interim allocations for the allocation period commencing January 1, 1973, and for succeeding allocation periods.

The Director, with the advice of the Oil Policy Committee, has also recommended that occasional shortages of certain finished petroleum products important to the national security should be relieved by delegating authority to the Secretary of the Interior to permit additional imports from the United States Virgin Islands. Such delegated authority then could be used with the Director's existing authorities relating to Puerto Rico and the use of Western Hemisphere crude oil in the development of programs to assist in meeting these shortages.

The Director, with the advice of the Oil Policy

Committee, has found that such changes would not adversely affect the national security.

I agree with the findings and recommendations of the Director and deem it necessary and consistent with the security objectives of Proclamation No. 3279, as amended, to adjust the imports of petroleum and petroleum products, and to improve the administration of the program, as hereinafter provided.

NOW, THEREFORE, I, RICHARD NIXON, President of the United States of America, acting under and by virtue of the authority vested in me by the Constitution and laws of the United States, including section 232 of the Trade Expansion Act of 1962, do hereby proclaim that, effective as of the date of this Proclamation, Proclamation No. 3279, as amended, is further amended as follows:

1. Subparagraph (4) of paragraph (b) of section 3 is amended by adding the following sentence at the end thereof:

"Whenever the Secretary, upon recommendation of the Director of the Office of Emergency Preparedness, finds that there may be shortages in the supply of any finished product or products in Districts I-IV, which products are deemed by the Director of the Office of Emergency Preparedness to be important to the national security, the Secretary may allocate imports of any such product or products manufactured in the Virgin Islands in excess of the limitation in the preceding sentence for such product or products, for such time and under such conditions as he may deem consistent with the purposes of this proclamation."

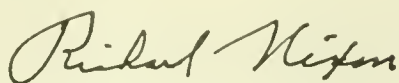
2. Section 3A is amended to read as follows:

"Commencing with the allocation period January 1, 1973, through December 31, 1973, the Secretary, with the concurrence of the Director of the Office of Emergency Preparedness, is authorized to make an interim allocation for any allocation period or portion thereof to any person who held an allocation of imports of crude oil and unfinished oils or of No. 2 fuel oil during the preceding allocation period. No such interim allocation shall exceed the like allocation held in such preceding allocation period by such person. However, the Secretary may adjust the allocation to any person limited by the previous sentence if such person would have been eligible for a larger allocation in 1973 under the regulations applicable during the allocation period commencing January 1, 1972. Any license issued under such interim allocation may be utilized for imports hereafter entering the United States prior to December 31, 1972, if authorized by the Secretary. Any allocation subsequently made to any person who receives an interim allocation pursuant to this section, shall be reduced by an amount equal to the interim allocation made pursuant to this section."

¹ No. 4175; 37 *Fed. Reg.* 28043.

² 24 *Fed. Reg.* 1781; 3 *CFR*, 1959-1963 *Comp.*, p. 11.

IN WITNESS WHEREOF, I have hereunto set my hand this 16th day of December, in the year of our Lord nineteen hundred seventy-two and of the Independence of the United States of America the one hundred ninety-seventh.



TREATY INFORMATION

U.S. and Portugal Sign Agreements on Macao Textile Exports to the U.S.

The Department of State announced on December 22 (press release 317) that notes had been exchanged at Lisbon that day constituting new bilateral agreements governing exports of textiles from Macao to the United States. Ridgway B. Knight, U.S. Ambassador to Portugal, and Portuguese Foreign Minister Rui Patricio signed on behalf of their respective governments. (For texts of the U.S. notes, see press release 317.)

Major features of the new agreements are:

- a. A five-year term from January 1, 1973, through December 31, 1977.
- b. Overall ceilings in square yards equivalent for the first agreement year (i.e., January 1–December 31, 1973) as follows: cotton textiles, 2.5 million; wool textiles, 2 million; man-made fiber textiles, 24 million.
- c. Specific ceilings on two categories of cotton textiles and seven categories of man-made fiber textiles.

Provisions for flexibility, growth, consultation, spacing, exchange of statistics, category designations and conversion factors, definition of textile articles, equity, and carryover are similar to those of other U.S. bilateral textile agreements.

Current Actions

MULTILATERAL

Biological Weapons

Convention on the prohibition of the development, production and stockpiling of bacteriological (biological) and toxin weapons and on their destruction. Done at Washington, London, and Moscow April 10, 1972.¹

Signature: Guyana, January 3, 1973.

Narcotic Drugs

Protocol amending the single convention on narcotic drugs, 1961. Done at Geneva March 25, 1972.¹

Signature: Niger, November 28, 1972.

Ocean Dumping

Convention on the prevention of marine pollution by dumping of wastes and other matter, with annexes. Done at London, Mexico City, Moscow, and Washington December 29, 1972.¹

Signature: Jordan, January 4, 1973.

Patents

Strasbourg agreement concerning the international patent classification. Done at Strasbourg March 24, 1971.¹

Ratification deposited: France (with a declaration), November 16, 1972.

Racial Discrimination

International convention on the elimination of all forms of racial discrimination. Done at New York December 21, 1965. Entered into force January 4, 1969.²

Accession deposited: Barbados (with reservation and statement), November 8, 1972.

Ratification deposited: New Zealand, November 22, 1972.

Satellite Communications System

Agreement establishing interim arrangements for a global commercial communications satellite system. Done at Washington August 20, 1964. Entered into force August 20, 1964. TIAS 5646.

Terminates: February 12, 1973.

Special agreement. Done at Washington August 20, 1964. Entered into force August 20, 1964. TIAS 5646.

Terminates: February 12, 1973.

Agreement relating to the International Telecommunications Satellite Organization (Intelsat), with annexes. Done at Washington August 20, 1971. Enters into force February 12, 1973.

Ratifications deposited: Egypt, Viet-Nam, January 3, 1973.

¹ Not in force.

² Not in force for the United States.

Telecommunications

International telecommunication convention, with annexes. Done at Montreux November 12, 1965. Entered into force January 1, 1967; for the United States May 29, 1967. TIAS 6267.

Ratifications deposited: Guatemala, October 12, 1972;³ Philippines, November 1, 1972.⁴

Accession deposited: China, People's Republic, November 16, 1972.⁵

Partial revision of the 1959 radio regulations, as amended (TIAS 4893, 5603, 6332, 6590), on space telecommunications, with annexes. Done at Geneva July 17, 1971. Entered into force January 1, 1973. TIAS 7435.

Notification of approval: United Kingdom, October 17, 1972.⁶

BILATERAL

Korea

Agreement amending the agreement for sales of agricultural commodities of February 14, 1972 (TIAS 7273). Effected by exchange of notes at Seoul November 17, 1972. Entered into force November 17, 1972.

Agreement amending the agreement for sales of agricultural commodities of February 14, 1972 (TIAS 7273). Effected by exchange of notes at vember 24, 1972.

Agreement amending the agreement for sales of agricultural commodities of February 14, 1972 (TIAS 7273). Effected by exchange of notes at Seoul December 7, 1972. Entered into force December 7, 1972.

Union of Soviet Socialist Republics

Memorandum of understanding regarding the establishment of a Standing Consultative Commission.⁷ Signed at Geneva December 21, 1972. Entered into force December 21, 1972.

³ With declarations contained in final protocol.

⁴ With reservations and statements contained in final protocol.

⁵ With reservation.

⁶ Extended to Channel Islands and Isle of Man.

⁷ This Commission shall promote the objectives and implementation of the provisions of the strategic arms limitation agreements.

PUBLICATIONS

Recent Releases

For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. Address requests direct to the Superintendent of Documents. A 25-percent discount is made on orders for 100 or more copies of any one publication mailed to the same address. Remittances, payable to the Superintendent of Documents, must accompany orders.

Background Notes. Short, factual summaries which describe the people, history, government, economy, and foreign relations of each country. Each contains a map, a list of principal government officials and U.S. diplomatic and consular officers, and a reading list. (A complete set of all Background Notes currently in stock (at least 125)—\$6; 1-year subscription service for approximately 75 updated or new Notes—\$3.50; plastic binder—\$1.50.) Single copies of those listed below are available at 10¢ each.

British Honduras	Pub. 8332	4 pp.
Costa Rica	Pub. 7768	4 pp.
French Territory of Afars and		
Issas (TFAI)	Pub. 8429	4 pp.
Guatemala	Pub. 7798	6 pp.
Laos	Pub. 8301	8 pp.
Lebanon	Pub. 7816	4 pp.
Portugal	Pub. 8074	4 pp.
Sweden	Pub. 8033	4 pp.

World Military Expenditures 1971. Sixth annual report by the U.S. Arms Control and Disarmament Agency. Pub. 65. 59 pp. \$1.25.

The International Implications of the Energy Situation. Statement by Under Secretary John N. Irwin II made before the House Committee on Interior and Insular Affairs on April 10, 1972. (Reprinted from the Department of State Bulletin of May 1, 1972.) Pub. 8662. General Foreign Policy Series 265. 5 pp. 10¢.

Saint Lawrence Seaway—Tariff of Tolls. Agreement with Canada amending the agreement of March 9, 1959, as amended. TIAS 7408. 4 pp. 10¢.

Military Assistance—Deposits Under Foreign Assistance Act of 1971. Agreement with Ghana. TIAS 7410. 2 pp. 10¢.

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Press Releases: January 1-7**

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Releases issued prior to January 1 which appear in this issue of the BULLETIN are Nos. 317 of December 22, 318 of December 26, and 320 of December 29.

No.	Date	Subject
1	1/4	Porter: 172d plenary session on Viet-Nam at Paris.
*2	1/4	International Book Advisory Committee to meet Jan. 11-12.

* Not printed.

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THE DEPARTMENT OF STATE BULLETIN

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THE DEPARTMENT OF STATE BULLETIN

VOL. LXVIII, No. 1753
January 29, 1973

The Department of State BULLETIN, a weekly publication issued by the Office of Media Services, Bureau of Public Affairs, provides the public and interested agencies of the government with information on developments in the field of U.S. foreign relations and on the work of the Department and the Foreign Service.

The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements, addresses, and news conferences of the President and the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and on treaties of general international interest.

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Use of funds for printing this publication approved by the Director of the Office of Management and Budget (January 29, 1971).

Note: Contents of this publication are not copyrighted and items contained herein may be reprinted. Citation of the DEPARTMENT OF STATE BULLETIN as the source will be appreciated. The BULLETIN is indexed in the Readers' Guide to Periodical Literature.

In this article based on an address he made at the University of Virginia at Charlottesville in November, Dr. Franklin describes in historical context the three principal methods of making Department of State documents available to the public: by publication, by granting access to files, and by providing copies on request.

The Availability of Department of State Records

*by William M. Franklin
Director of the Historical Office*

Ever since the sensational publication of the "Pentagon Papers" a year and a half ago, the public prints, the halls of Congress, and the conventions of learned societies have buzzed with talk of "declassification" of official documents. On March 8, 1972, President Nixon signed a new Executive order on the subject. The National Archives and Records Service has built up a declassification staff which is energetically tackling the problem. The Department of State has set up a Council on Classification Policy, chaired by William B. Macomber, Jr., the Deputy Under Secretary of State for Management. A high-level Interagency Classification Review Committee has been established, with former Ambassador John Eisenhower as chairman. All of this suggests that this might be an appropriate time to take a look at the whole problem of the availability to the public of State Department documents.

First of all, we have to sort out our terms. "Classification" as used in this context refers to the system of marking documents as Confidential, Secret, or Top Secret, depending on their importance to the national security. "Declassification" is, of course, the reversal of the process. In general it can be said that the authority to classify or declassify a given piece of paper rests with the offices having responsibility for the policy toward the particular country, organization, or type of problem to which it relates. Historians

and archivists may have a voice with respect to classification and declassification, but they do not make the decisions—at least not in State Department practice.

Not infrequently one hears the accusation that classification is nothing but a "coverup for errors by the bureaucrats." I cannot speak for other agencies, but in the State Department system this would be most unlikely. Almost all our policy officers are either political appointees or Foreign Service officers, most of whom stay in a given assignment only a few years (eight is about the maximum), after which the control over the documents that they have classified passes to other officials—perhaps of an opposing political party—who can declassify any of those documents without any reference back to the original classifiers. Documents may be kept classified far longer than scholars and reporters may consider necessary, but this is done for reasons of policy—not for the protection of persons, most of whom never thought they had made any errors anyway.

Another relationship that needs attention is that between classification and secrecy. The present classification system came into the United States Government only with World War II. Prior to that time documents of special sensitivity were sometimes marked as "confidential" but generally they bore no such indication at all. Does this mean that prior to World War II government docu-

ments were in principle more open to the public? On the contrary, the principle was firmly embedded that every paper prepared on official business was to be shown only to other officers on a need-to-know basis. The only papers that were properly releasable to the public were those specifically so designated by higher authority. So, ironically, it can be said that the present classification system marked in principle a step toward greater liberality in that it made thousands of unclassified documents immediately releasable to the public.

But being "unclassified" or "declassified" does not in itself make a document available to the public. Papers unclassified or declassified are still in government file rooms closed to the public.

So declassification is not enough. In order to become available to the public, official records which are unclassified or which have been declassified must be (1) published in some manner, (2) opened up for public access, or (3) released in response to requests from the public for particular documents. Each of these procedures has a history of its own in the practice of the Department of State, and from this historical perspective some useful insights may be derived.

Publication of Official Papers

The traditional and original method of releasing official papers was publication on particular topics. The practice arose in 18th-century England, where Parliament, beginning to reach for the reins of power, demanded on occasion that the government publish papers on particular subjects, particularly crises in foreign affairs which were becoming matters of increasing popular concern. When the government acceded—or when it decided on its own to release some papers—it had first to select from the files those that were to be released and then to send them to the public printer, often with portions still sensitive marked for omission. The printer would run the documents in the requisite number of copies (enough at least for parliamentary distribution) and

would bind them together with "printer's wrapper"; i.e., covers of white paper. If the size of the text warranted it, he might be forced to use heavier covers, which were customarily of blue cardboard. Thus originated the eminent series of British White Papers and Blue Books which in the 19th century blazed a trail toward greater freedom of information in matters, such as foreign affairs, which had hitherto been regarded as prerogatives of the Crown, too sensitive or too complex to be shared even with Parliament, let alone the people. The time for sharing had begun.¹

The young United States inherited this tradition and extended it in its own way. From the earliest days documents on foreign affairs were made available to Congress on particular subjects of interest, but the novel characteristic which developed in American practice was the annual review. To the President's annual message to Congress on the state of the Union (traditionally delivered in December) there were attached detailed reports from the various Cabinet officers—except from the Secretary of State, who customarily rendered his report not in narrative but in the form of papers illustrating American foreign policy and diplomatic relations during the year. These papers, along with the Presidential address, were printed up as a congressional document and were circulated in the Capitol. In 1861 the Department of State, for the first time, had these foreign policy documents bound in hard covers and published under the title *Papers Relating to Foreign Affairs*. Thus there began that continuing series of annual volumes which, under the newer title, *Foreign Relations of the United States*, has now reached the documents for the year 1948.

It is interesting to note that the *Foreign Relations* series was started as a medium for releasing current documents of major importance. Indeed, the volume issued in 1861 contained documents of that very year, many

¹ See Harold Temperley and Lillian M. Penson, *A Century of Diplomatic Blue Books, 1814-1914* (New York: Barnes and Noble, Inc., 1966).

of them on the hot and vital question of keeping the Great Powers from aiding and recognizing the Confederate States of America. Under the modern system of classification such documents could easily justify a Top Secret stamp, for they literally concerned the very existence of the United States of America and dealt with the imminent possibility of war with several European states. In those days the documents bore no stamp of classification, but it was understood that nothing of this sort was to be released without higher approval. Today this would be called "declassification"; at that time it was "clearance"—a term still used in the Historical Office of the Department. It would be my guess that the documents of 1861 were "cleared" by Secretary Seward personally, and probably also with President Lincoln, before they were published. The process has not essentially changed through all the years, although we do not generally have to go so high for clearance.² The documents for each year have to be located, selected, copied, and annotated by the Historical Office. Then galley proofs are run at the Government Printing Office and copies thereof—appropriately divided up by subjects—are circulated for declassification to all the concerned policy offices in the Department of State and to all other departments, agencies, and sometimes foreign governments whose documents we are proposing to publish. Since each volume now runs well over 1,000 pages, with seven to twelve volumes per year, it is no exaggeration to say that the staff of historians working on the *Foreign Relations* series is now the Department's principal declassification team.

The release of documents through the medium of a continuing series has certain great advantages. In contrast to a haphazard releasing of individual documents, the series presents all the important documents on each

subject in context. The series provides a convenient and lasting reference source for students and scholars throughout the world. The release of documents through official publication is obviously equitable; there are no favorites and no "scoops." Placed in their historical setting, the documents are often easier for the Department to declassify and release because in such context their release is less likely to be misunderstood as having some current political significance.

Some of these desirable characteristics, however, worked to the disadvantage of the series in other respects, notably in speed of publication. To the end of the 19th century the volumes were being brought out when the documents were only a year or two old. In the present century the series began to lag, and by World War I the documents published were about eight years old. The huge increase in the volume of documentation occasioned by both World Wars, plus the increasingly important role played by the United States on the world stage, worked to make the series slip back year by year, until by 1970 the documents being released were over 25 years old. This situation came to the attention of President Nixon early in 1972, and on March 8 of that year he issued instructions that the series be brought up to a 20-year line. Three additional positions have been added to the *Foreign Relations* staff, and more money has been provided for indexing and printing, but the attainment of the President's goal will depend in large measure on the speed with which busy policy officers (not historians) can be persuaded to review the documents proposed for declassification and publication.

From all this it is clear that the *Foreign Relations* series in the 20th century has no longer fulfilled its original purpose as a medium for the release of current documents. As the series slid backward in time, its place was taken on the contemporary scene by press releases and by special publications on particular subjects on which the Department felt it necessary or desirable to give out documents. The press releases were reprinted

² For an example of a question of clearance (declassification) that went to Roosevelt and Churchill for decision, see *Foreign Relations of the United States, The Conferences at Washington and Quebec, 1943* (Washington: Government Printing Office, 1970), pp. 1334-35, 1338.

in a weekly publication entitled *Press Releases* beginning in 1929. In 1939 the title of this publication was changed to the *Department of State Bulletin*, and the scope was broadened to include not only documents, strictly speaking, but also statements, announcements, and articles which may contain information previously classified. The special documentary publications issued by the Department in the period since World War II (such as the so-called China White Paper) number several dozen, not counting the voluminous serial publications of treaties and other international acts, the digests of international law, and the multilateral publication of German documents. This is not the place to discuss any of these in detail, but it is worth noting that thousands of documents previously classified or closely held have been released in this fashion, far ahead of the *Foreign Relations* volumes.

Opening of Files to Access

The ultimate in openness is to let members of the public into the files, where they can see all the documents and copy any that interest them. If this "see for yourself" method has the advantage of high credibility, it also has the disadvantage of being a type of operation which generally can be used effectively only by graduate-level scholars and professional researchers. Documents published by the Department of State are available in all the major public and university libraries throughout the world; documents that are merely opened to access in Washington will actually reach the public only to the extent that nonofficial historians choose to reproduce or describe them in their books and articles.

One might think that opening the files (or "granting access" as we call it) would be the easiest and cheapest method of making documents available to the public, but this, too, requires some qualification. Before files can be opened, they must be declassified by decision of policy officers, and this can only be effected on the basis of some sort of examination of the documentation either paper

by paper or by spot checking, or by bulk categories where these can be defined. The records thus declassified must be defined by chronology or subject; they must be brought together as much as possible and physically separated from files still classified. Finding aids (indexes) to the open records must be prepared or made accessible, and adequate accommodations for researchers must be provided, including trained personnel to service their requests.

While the publishing of documents on foreign affairs goes back to the 18th century, the opening of files to access by the public or even to eminent scholars is a comparatively recent method of making documents available. Many foreign offices still do not open their files to the public in any systematic manner, contenting themselves with letting in an occasional privileged scholar whom they regard as "reliable." This was in fact the practice followed in the 19th century by even the most democratic foreign offices, including the Department of State. And historians did not fail to complain about it. In the annual report of the American Historical Association for 1893 it was sourly noted that "historical papers in the State Department are not accessible to the historical student except as a special favor . . ."³

By today's standards it would appear that Clio's disciples had something to complain about. It was not until 1901 that Congress passed a law providing that "facilities for study and research in the Government Departments . . . shall be afforded to scientific investigators and duly qualified individuals, students, and graduates of institutions of learning . . . under such rules as the heads of the Departments . . . may prescribe."⁴ Apparently the Department of State began thereafter to admit scholars to the files in

³ American Historical Association, 1893 (Washington, Government Printing Office, 1894), p. 4. Background data for this portion of the article were supplied by Dr. Milton Gustafson, Chief of the Diplomatic Branch, National Archives, and Dr. Arthur G. Kogan of the Historical Office, Department of State.

⁴ 31 Stat. 1039.

greater numbers, but only to documents of the pre-Civil War period, and even then under the proviso that the Department would review every researcher's notes or manuscript. In 1916 some notes were withheld on papers as much as 66 years old, and as late as 1920 the Department refused a researcher's request to see files of the war years—that is, the war of 1861–65.

Not until 1921 did the Department have a regulation providing for systematic access to records, and that access was still under careful control, cases being judged on an ad hoc basis. In 1927 the Department's eminent Historical Adviser, Tyler Dennett, stated that the files were open only up to 1898 although some subjects "might be pursued down to 1906."⁵ Here was the beginning of a pattern which the Department followed for many years thereafter: (1) Records were "declassified" in bulk when they were about 30 years old, and those files were then opened to researchers. (2) There was a "restricted" period (five to ten years ahead of the "open" period) to which "bona fide" or "trustworthy" American scholars might be admitted subject to certain controls. (3) There was a "closed" period covering the most recent records. The establishment of the National Archives in 1936 did not alter this basic pattern, although it produced a sharper definition of the open period and provided much better facilities for taking care of both records and researchers.

It is no secret that in recent decades the administration of the restricted period caused increasing friction between the Department and the academic world. The determination as to which "scholars" were to be admitted provoked invidious distinctions. Those who were admitted frequently resented the censorship of their notes. After World War II a security investigation became a requirement for admission to the still-classified records of the restricted period, a requirement costly to the government and resented by most applicants for access.

Accordingly, at the beginning of 1972 the Department decided to open, i.e., declassify, its records for the entire period of World War II, an action which in effect abolished the old restricted period, which at that point had included the years 1942–45. Later in 1972 the Department extended the open period to include 1946, after the last of the *Foreign Relations* volumes for 1946 had been published; and the regulations were changed to provide for just two periods, "open" and "restricted." Records of the new restricted period (1947 on) are closed to access by nonofficial researchers,⁶ but copies of individual documents may be obtained by request, as will be explained later in this paper.

Until recent years there was never any apparent relationship between the publication of the *Foreign Relations* series and the opening of files to access. This was because the series, beginning in 1861 and for all the rest of the 19th century, was publishing documents at least 50 years ahead of the period to which access was granted. In the 20th century this gap began to narrow as the publication was allowed to lag while access was rapidly advanced. Even so, the published volumes have always been far ahead of the open period of the files, and indeed they were well ahead of even the restricted period until the end of World War II. Then for a brief period some private scholars were permitted into some of the wartime records before the publication of *Foreign Relations*. This aberration was made possible by the flood of documents on the war and its origins, released through memoirs, the Pearl Harbor hearings, etc., but the usefulness of this special access was limited by the fact that these historians were not permitted to cite many of the most important classified files that they were permitted to see. In the files of the postwar period a

⁵The Department's regulations provide for an exception: "Persons who previously occupied policy-making positions to which they were appointed by the President . . . may be authorized access to classified information or material which they originated, reviewed, signed, or received while in public office." (5 FAM 946).

⁶Department of State files, June 1927, 116.2/4440.

higher proportion of important records are classified, so that no access is really possible until after the subjects have been considered and the principal papers declassified for publication in *Foreign Relations*. To say that the series is holding back access is like saying that the tugboat up front is holding back the barge.

Release of Specific Documents by Request

With the Freedom of Information Act (effective July 4, 1967) there was provided a third mechanism whereby documents might be made available to the public; namely, by special request through a designated channel. Each department and agency was required to designate an official with whom members of the public might register their requests for copies of specific documents.⁷ The act required that the documents be "identifiable" and provided that the department or agency might deny the request if the documents fell into any of nine exempted categories and that otherwise the requester must be provided with copies of what he wanted (subject to payment of a fee for research and copying). Among the nine possible exemptions the most important with respect to Department records was the one that made exemptible those "specifically required by Executive Order to be kept secret in the interest of the national defense or foreign policy." The Department, however, has not taken any general refuge in this provision. Whenever the documents requested under the act have been identifiable and have turned out to be classified, the Department has seen to it that they have been reviewed by officers authorized to declassify them and that any negative answers to requesters would be reviewed by the Office of the Legal Adviser in the Department, as well as, more recently, by the Bureau of Public Affairs. The requester may also file an appeal with the Department's Council on Classification Policy and/or with the Inter-

agency Classification Review Committee, established by Executive Order 11652, signed by the President on March 8, 1972, which became effective on June 1, 1972.

This Executive order contains several other provisions designed to facilitate the operation of the Freedom of Information Act. It greatly reduced the number of officers authorized to classify documents, and it set up a general declassification schedule under which many Top Secret documents will be automatically declassified after ten years, Secret papers in eight years, Confidential ones in six years. The full effect of these measures will not be felt for some years, but obviously they will tend to reduce the number of classified documents and thus to improve the likelihood of larger returns to members of the public who ask for copies of documents.

The amount of documentation so far made available to the public by the State Department under Freedom of Information Act procedures is impressive—about 13,000 pages. Actually, an additional 10,000 pages were approved for release by the Department in response to requests, but the requesters, for one reason or another, failed to order their copies.

On the other hand some scholars and reporters have been bitterly disappointed with their meager returns under the act, and it appears from some of these cases that there has been a fundamental misunderstanding. The Freedom of Information Act was not designed primarily to meet the broad needs of scholars, and not even its most enthusiastic sponsors ever claimed that it would take the place of publication and access to files as mechanisms for the wholesale release of documents. The report on the bill to the House of Representatives by the Committee on Government Operations⁸ makes it quite clear that the sponsors of the measure were thinking along more limited and practical lines, principally of how to help the citizen

⁷ The officer in the Department of State is Donald J. Simon, Chief of the Records Services Division.

⁸ House of Representatives, 89th Congress, 2d session, Report No. 1497, May 9, 1966.

who had been adversely affected by some government ruling or decision and was unable to find out where or how to proceed with his complaint or inquiry. Nothing in the report suggests that the sponsors of the bill were aiming to release to scholars large quantities of highly classified documents on recent foreign policy and international relations. The fact of the matter is that the Freedom of Information Act procedure, in the experience of this Department, works rather well for what it was intended to do. It will also assist the occasional scholar who wants only documents that are individually identifiable on subjects relatively nonsensitive. Judging from the experience of recent years, I should say in all honesty that "grab bag" requests for documents by subjects or categories will generally not receive favorable action, and neither will requests for the highest level documents on the most sensitive international crises of recent years.

Some scholars have asked to see indexes or lists of documents in order that they might be better able to identify what they want. It is not feasible at present to produce such a listing, but this may become possible as the files of the Department are computerized. Looking ahead one can see the day when the Department will be able to issue periodic lists of documents unclassified and declassified from which anyone can pick his desired items and obtain copies with great speed. Thus the providing of copies by request may become in time a far more important method of releasing documents than it can be at present.

In the foregoing pages I have described the three ways of making government documents available to the public: by publication, by granting access to files, and by providing copies on request. Each of these methods has characteristics of its own, and all of them are necessary to meet the varying needs of different types of persons and problems. In recent years the Department has moved to improve and expedite every one of these mechanisms, all of which admittedly need from time to time a shot of

"openness." We are continuing to work to improve still further. Only in this way can there be maintained a proper balance between the immediate need of the government—in the interest of the public as a whole—for confidentiality in some matters of national security and foreign affairs and the sometimes temporarily conflicting right of the individual citizen in a democracy to know what is going on.

173d Plenary Session on Viet-Nam Held at Paris

Following are remarks made by Heyward Isham, acting head of the U.S. delegation, at the 173d plenary session of the meetings on Viet-Nam at Paris on January 11.

Press release 3 dated January 11

Ladies and gentlemen: My remarks today will be particularly brief because, as you know, a further round of substantive discussions is in progress and I believe we should say nothing here today which could in any way complicate the efforts being made to reach a just settlement.

It has long been our preference to take the path of negotiations as the most effective means to end the war and restore peace. Serious negotiations offer the best prospect of settling the complex issues in this protracted conflict with justice to all parties.

In keeping with the implementing responsibilities which will be undertaken here once an agreement is concluded, I believe that we should exercise restraint and moderation in our presentations. Exaggerated rhetoric and unfounded accusations of bad faith are of course inconsistent with the constructive atmosphere which should accompany a process of serious negotiations.

On the other hand, a sober deescalation of the rhetoric would be a useful step so that our deliberations here might enlighten, not obscure, the search for peace. I hope that you will be guided by this precept.

U.S. Joins Canada in Mourning Death of Former Prime Minister Pearson

Lester B. Pearson, former Prime Minister of Canada, died December 27. Following are statements by President Nixon and Secretary Rogers issued December 28.

STATEMENT BY PRESIDENT NIXON

White House press release dated December 28

Lester B. Pearson, former Prime Minister of Canada, will be remembered as one of the 20th century's most untiring and effective workers in the cause of world peace. For four decades, as diplomat, statesman, and Nobel Peace Prize laureate, he gave unstintingly of himself in the service of Canada and the world community. The record of his accomplishments as an outstanding postwar leader has few equals.

Canada has lost a great leader. We in the United States have lost a firm friend. The world has lost a great statesman and a wise counselor. His life illustrates in a profound way how much one man, by virtue of hard work, high principle, and a sympathetic understanding of his fellow man, can accomplish in the cause of peace and freedom.

As one who has had the privilege of knowing Lester Pearson for two decades, and who has counted him a friend, I shall miss him greatly.

STATEMENT BY SECRETARY ROGERS

Press release 322 dated December 29

I was deeply saddened to learn of the death of the Right Honorable Lester B. Pearson. He leaves behind a truly distinguished record of service to Canada and to mankind, not only in his years as Prime Minister but in his years as Secretary of State for External Affairs. As we continue our efforts to create a stable peace in the world, the example of his achievements in working toward that goal

will be a source of inspiration to us all. I extend to the Pearson family my deepest sympathy in their loss.

Import Quotas for Nonfat Dry Milk Temporarily Increased

A PROCLAMATION¹

AMENDING PART 3 OF THE APPENDIX TO THE TARIFF SCHEDULES OF THE UNITED STATES WITH RESPECT TO THE IMPORTATION OF AGRICULTURAL COMMODITIES

WHEREAS, pursuant to section 22 of the Agricultural Adjustment Act, as amended (7 U.S.C. 624), by Presidential Proclamation limitations have been imposed on the quantities of certain dairy products which may be imported into the United States in any quota year; and

WHEREAS, in accordance with section 102(3) of the Tariff Classification Act of 1962, the President by Proclamation No. 3548 of August 21, 1963 (28 F.R. 9279), proclaimed the additional import restrictions set forth in part 3 of the Appendix to the Tariff Schedules of the United States; and

WHEREAS the import restrictions on certain dairy products set forth in part 3 of the Appendix to the Tariff Schedules of the United States as proclaimed by Proclamation No. 3548 have been amended by Proclamation No. 3558 of October 5, 1963; Proclamation No. 3562 of November 26, 1963; Proclamation No. 3597 of July 7, 1964; section 88 of the Tariff Schedules Technical Amendments Act of 1965 (79 Stat. 950); Proclamation No. 3709 of March 31, 1966; Proclamation No. 3790 of June 30, 1967; Proclamation No. 3822 of December 16, 1967; Proclamation No. 3856 of June 10, 1968; Proclamation No. 3870 of September 24, 1968; Proclamation No. 3884 of January 6, 1969; Proclamation No. 4026 of December 31, 1970; and Proclamation No. 4138 of June 3, 1972; and

WHEREAS the Secretary of Agriculture has reported to me that he believes that additional quantities of dried milk provided for in item 950.02 of the Tariff Schedules of the United States (hereinafter referred to as "nonfat dry milk") may be imported for a temporary period without rendering or tending to render ineffective, or materially interfering with, the price support program now conducted by the Department of Agriculture for milk or reducing substantially the amount of prod-

¹ No. 4177; 38 Fed. Reg. 7.

ucts processed in the United States from domestic milk; and

WHEREAS, under the authority of section 22, I have requested the United States Tariff Commission to make an investigation with respect to this matter; and

WHEREAS the Secretary of Agriculture has determined and reported to me that a condition exists with respect to nonfat dry milk which requires emergency treatment and that the quantitative limitation imposed on nonfat dry milk should be increased during the period ending February 15, 1973, without awaiting the recommendations of the United States Tariff Commission with respect to such action; and

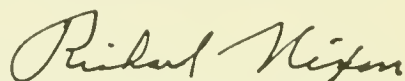
WHEREAS I find and declare that the importation during the period ending February 15, 1973, of the additional quantity of nonfat dry milk specified below will not render or tend to render ineffective, or materially interfere with, the price support program which is being undertaken by the Department of Agriculture for milk and will not reduce substantially the amount of products processed in the United States from domestic milk; and that a condition exists which requires emergency treatment and that the quantitative limitation imposed on nonfat dry milk should be increased during such period without awaiting the recommendations of the United States Tariff Commission with respect to such action;

NOW, THEREFORE, I, RICHARD NIXON, President of the United States of America, acting under and by virtue of the authority vested in me as President, and in conformity with the provisions of section 22 of the Agricultural Adjustment Act, as amended, and the Tariff Classification Act of 1962, do hereby proclaim that headnote 3(a) of Part 3 of the Appendix to the Tariff Schedules of the United States is temporarily amended by adding a new subdivision as follows:

(vi) Notwithstanding any other provision of this part, 25,000,000 pounds of dried milk described in item 115.50 may be entered during the period beginning December 30, 1972, and ending February 15, 1973, in addition to the annual quota quantity specified for such article under item 950.02, and import licenses shall not be required for entering such additional quantity. No individual, partnership, firm, corporation, association, or other legal entity (including its affiliates or subsidiaries) may during such period enter pursuant to this provision quantities of such additional dried milk totaling in excess of 2,500,000 pounds.

The additional quota quantity provided for herein shall continue in effect pending Presidential action upon receipt of the report and recommendations of the Tariff Commission with respect thereto.

IN WITNESS WHEREOF, I have hereunto set my hand this thirtieth day of December in the year of our Lord nineteen hundred and seventy-two, and of the Independence of the United States of America the one hundred and ninety seventh.



Authorization of Funds for Defense Articles and Services for Portugal

PRESIDENTIAL DETERMINATION No. 73-9¹

PRESIDENTIAL DETERMINATION—PORTUGAL

Memorandum for the Secretary of State

THE WHITE HOUSE,
Washington, December 5, 1972.

In accordance with the recommendation in your memorandum of November 6, and pursuant to Section 614(a) of the Foreign Assistance Act of 1961, as amended, I hereby:

(a) Determine that the use of not to exceed \$905,000 in FY 1973 for the grant of defense articles and defense services to Portugal, without regard to Section 620(m) of the Act, is important to the security of the United States; and

(b) Authorize such use of up to \$905,000 for the grant of defense articles and defense services to Portugal without regard to the limitations of Section 620(m) of the Act.

This determination shall be published in the FEDERAL REGISTER.



¹ 37 Fed. Reg. 27613.

U.S. Reaffirms Support of Efforts of U.N. in Drug Abuse Control

Following is a statement made in Committee III (Social, Humanitarian and Cultural) of the U.N. General Assembly on November 28 by U.S. Representative Jewel Lafontant, together with the texts of resolutions adopted by the committee on November 29 and by the Assembly on December 18.

STATEMENT BY MRS. LAFONTANT

USUN press release 147 dated November 28

The response of the international community to the growing menace of drug abuse is encouraging. National and international programs have been formulated which seek to eradicate this menace in all forms and in all places throughout the world. My government welcomes this development which supports our view that no society is free of the present or potential threat of drug abuse.

Control of drug abuse requires international cooperation as well as determined national programs. In his message to Congress on June 17, 1971, President Nixon stated:¹

No serious attack on our national drug problem can ignore the international implications of such an effort, nor can the domestic effort succeed without attacking the problem on an international plane.

My government believes that the United Nations has a key role to play in the worldwide fight against drug abuse. A good start has been made. As the Economic and Social Council (ECOSOC) report indicates,² there have been significant developments during the past year in the efforts of the United Nations to deal with the problem of drug abuse and illicit traffic.

The United Nations Fund for Drug Abuse Control, which was established less than two years ago, has made progress in developing administrative structure and in project preparation. We anticipate that the Fund will become more fully operational in the year ahead and provide meaningful assistance to countries in their efforts to combat drug abuse.

Nineteen countries have contributed to the Fund, and several have indicated they will maintain their contributions on an annual basis. Continuing and increasing financial support and strong management and viable projects are all necessary for an effective program of United Nations assistance to cooperating countries.

My delegation is pleased that many excellent projects have been developed by the Fund with the support of the Division of Narcotic Drugs and the assistance of the specialized agencies, particularly WHO and FAO [World Health Organization; Food and Agriculture Organization]. It is noteworthy that the number of projects approved by the Fund exceeds available resources. The program in Thailand is now underway, and we hope that similar programs will be launched shortly in other countries. We trust that project implementation will proceed rapidly and effectively and that the best qualified personnel will be secured for specific programs.

At present all funds necessary to complete long-term projects of the Fund are being committed for the full life of those projects and thus cannot be used for current expenditures. This practice has placed a financial strain on the Fund. We would recommend that, subject only to the maintenance of a small operational reserve, all financial resources of the Fund be available for current programing purposes. Only in this way can

¹ For text, see BULLETIN of July 12, 1971, p. 58.

² U.N. doc. A/8703.

the organization obtain maximum value for funds contributed.

The capabilities of the United Nations in the field of drug abuse control have been strengthened by the appointment of Dr. Sten Martens to the important post of Director of the Division of Narcotic Drugs. We wish him well in his important undertaking. We anticipate further appointments in the United Nations narcotics organization, such as regional narcotics advisers, which will enhance the capabilities of the organization to deal effectively with this international problem.

The important Protocol Amending the 1961 Single Convention on Narcotic Drugs was adopted by an international conference last March. This protocol is now before governments and will come into force when 40 ratifications are deposited. The United States has completed its ratification process, and we would urge other governments to expedite their procedures for ratification or accession so that the protocol may become effective at the earliest possible date. The amending protocol and the Convention on Psychotropic Substances, adopted in 1971, are two important pieces of international legislation which are before governments for approval. When brought into force, they will strengthen the regulation of the international traffic in narcotics and other drugs subject to abuse and enhance the operations of the International Narcotics Control Board.

In this connection I have the honor to introduce the draft resolution contained in A/C.3/L.1977, which calls on all countries to adhere to the 1961 Single Convention, the amending protocol to the Single Convention, and the Convention on Psychotropic Substances. This resolution is cosponsored by the delegations of Australia, Costa Rica, Cyprus, Denmark, Finland, France, Greece, Indonesia, Japan, Kenya, Laos, Nicaragua, Norway, Spain, Sweden, Thailand, Trinidad and Tobago, Turkey, and Uruguay, in addition to my delegation. We commend this resolution to the committee and recommend its unanimous adoption.

The International Narcotics Control Board, which has made a vital contribution to combating illicit production and trafficking, will have an even more important function when the amending protocol comes into force. My government attaches great importance, therefore, to the elections to the International Narcotics Control Board next year, and we would urge governments to insure that highly qualified individuals are nominated.

The Commission on Narcotic Drugs has been expanded and strengthened as a result of a decision taken by ECOSOC Resolution 1663 (LII). A 30-member Commission will permit wider representation of member states, thereby providing tangible recognition to the increased importance which the international community accords to the problem of drug control.

We would hope that interested countries which are not members of the Commission will accept the invitation of the Secretary General to participate in its work as observers. We would urge interested governments in particular to be represented at the next session of the Commission in January 1973.

An important initiative taken by the Commission at its session in 1971 was the establishment of an Ad Hoc Committee on Illicit Traffic in the Near and Middle East. This committee has now concluded a study tour of the countries in the area and will soon be issuing a report on its findings. We hope that the results of this study tour will lead to more effective cooperation among the countries in the area and that it will encourage countries in other areas to establish similar forms of cooperation. My delegation would hope that the Commission on Narcotic Drugs at its next session in January 1973 would recommend to the Economic and Social Council that it convert the ad hoc committee to a regional subcommission for that area and authorize the establishment of regional subcommissions in other areas.

My delegation welcomes the resolution introduced by the delegation from Afghanistan and contained in A/C.3/L.1976, which we

are pleased to cosponsor. We believe that this resolution is consistent with article 14 *bis* in the protocol amending the Single Convention, which provides:

... the Board ... may recommend ... that technical or financial assistance, or both, be provided to the Government in support of its efforts to carry out its obligation under this Convention. ...

We are also pleased to cosponsor draft resolution A/C.3/L.1978, presented at the initiative of the distinguished Representative of Greece. We support the need for more effective and extensive efforts by the United Nations system in dealing with drug abuse and sustained contributions to the United Nations Fund for Drug Abuse Control.

In conclusion, we wish to express our appreciation to the Secretary General, to his special representative Ambassador [Carl] Schurmann, to Dr. Martens, Director of the Division of Narcotic Drugs, and all their colleagues in the Secretariat who have been responsible for the progress which the United Nations has made in the field of drug abuse control during the past year.

TEXTS OF RESOLUTIONS

General Assembly Resolution 3012³

Assistance in narcotics control

The General Assembly,

Recalling that assistance to developing countries is a concrete manifestation of the will of the international community to honour the commitment contained in the Charter of the United Nations to promote the social and economic progress of all peoples,

Recalling the special arrangements made by the General Assembly under its resolution 1395 (XIV) of 20 November 1959 with a view to the provision of technical assistance for drug control,

Reaffirming its resolution 2719 (XXV) of 15 December 1970, in which it welcomed the establishment of the United Nations Fund for Drug Abuse Control,

Further recalling Economic and Social Council resolution 1664 (LII) of 1 June 1972, in which the Council urged States, institutions and individuals

to contribute to the Fund in any form and according to their capacity,

1. *Welcomes* the fact that the Economic and Social Council expressed satisfaction with the successful result of the United Nations Conference to Consider Amendments to the Single Convention on Narcotic Drugs, 1961, particularly that a new article 14 *bis* was adopted concerning technical and financial assistance to promote more effective execution of the provisions of the Single Convention on Narcotic Drugs;

2. *Declares* that, to be more effective, the measures to fight drug abuse must be co-ordinated and universal;

3. *Declares further* that the fulfilment by the developing countries of their obligations under the Single Convention on Narcotic Drugs calls for adequate technical and financial assistance from the international community.

General Assembly Resolution 3013⁴

Narcotic drugs

The General Assembly,

Recalling Economic and Social Council resolutions 1658 (LII) and 1665 (LII) of 1 June 1972,

Deeply concerned over the threat to human dignity and society posed by the flow of illicit drugs,

Gratified by the adoption by international conferences of the Convention on Psychotropic Substances and the Protocol amending the Single Convention on Narcotic Drugs, 1961,

Convinced that the Convention on Psychotropic Substances would result in the necessary international regulation of these substances,

Further convinced of the importance of the Protocol in strengthening enforcement provisions of the Single Convention on Narcotic Drugs, 1961,

Calls upon all countries, provided they have not already done so, to adhere to:

(a) The Single Convention on Narcotic Drugs, 1961;

(b) The Protocol amending the Single Convention on Narcotic Drugs, 1961;

(c) The Convention on Psychotropic Substances.

General Assembly Resolution 3014⁵

United Nations Programme for Drug Abuse Control

The General Assembly,

Noting that drug abuse is a continuing problem in many parts of the world,

Encouraged by the growing interest of Governments in dealing with drug abuse,

³ Adopted on Dec. 18 by a recorded vote of 113 (U.S.) to 0, with 9 abstentions.

⁴ Adopted on Dec. 18 by a recorded vote of 111 (U.S.) to 0, with 9 abstentions.

⁵ Adopted on Dec. 18 by a recorded vote of 114 (U.S.) to 0, with 8 abstentions.

1. Welcomes the expanded operations of the United Nations Programme for Drug Abuse Control and especially the efforts made by the Division of Narcotic Drugs of the Secretariat in the field of drug abuse control;

2. Recognizes the importance of the United Nations programme of action based on short-term and long-term policy, as approved by the General Assembly in resolution 2719 (XXV) of 15 December 1970, and affirms the need for more effective and extensive efforts by the United Nations system;

3. Appeals consequently to Governments for sustained support and voluntary contributions to the United Nations Fund for Drug Abuse Control, in any form and according to their capacity;

4. Invites the Division of Narcotic Drugs, the specialized agencies and other interested inter-governmental organizations to co-operate fully in the United Nations programme of action;

5. Further invites the specialized agencies and other interested intergovernmental organizations to pay special attention in the formulation of their own programmes relating to the socio-economic consequences of drug abuse and to appropriate means to combat it.

General Assembly Sets Schedule for Conference on Law of the Sea

Following are statements by John R. Stevenson, Legal Adviser of the Department of State and U.S. Representative to the U.N. Seabed Committee, made in Committee I (Political and Security) of the U.N. General Assembly on November 28 and December 7, together with the text of a resolution adopted by Committee I on December 7 and by the Assembly on December 18.

STATEMENT OF NOVEMBER 28

USUN press release 148 dated November 28

It is a pleasure for me to speak to this committee in connection with our consideration of the law-of-the-sea item. The focus of our deliberations is the Law of the Sea Conference, and I would like to outline today my delegation's views on what a General Assembly resolution on this subject should contain.

This General Assembly has the opportunity to confirm and build upon the terms of

Resolution 2750 C passed at the 25th session and calling for the convening of a Law of the Sea Conference in 1973.¹ The most important thing we could do in this regard would be to determine a precise and suitable schedule and site or sites for the conference. The judgment of the 25th General Assembly in choosing 1973 as the year for beginning a conference should be respected. However, we agree with those who believe that additional intensive preparatory work by the committee in 1973 would improve the chances for a successful conference on the substance of the law of the sea. Thus, we can agree with those delegations that have suggested an organizational meeting of the conference in the fall of 1973, with intensive preparatory work by the committee in the spring and summer of 1973 and the scheduling of adequate substantive conference work to begin in the spring of 1974, preferably, in our view, in March. We are pleased to see the details of this schedule, including specific dates and places, reflected in the thinking of a large number of delegations.

In the view of my delegation, a timely conclusion to substantive work, with the attendant opening of a treaty for signature, is as important as an early beginning. If the preparatory work next year sees the full emergence of the constructive and workmanlike atmosphere which began to develop in the Seabed Committee this past summer and if nations face up to some of the hard political decisions necessary for an overall accommodation of interests in the law of the sea, then there is no reason why the conference could not complete its work during 1974. We could help insure a successful completion of the treaty in 1974 if we schedule at this General Assembly sufficient time for substantive work in that year. If the General Assembly were at this time to schedule two sessions of the conference in 1974, one in March–April and the other in July–August, this would afford the opportunity for consultations within and among governments in the interval between

¹ For text of the resolution, see BULLETIN of Feb. 1, 1971, p. 158.

the sessions, yet maintain the momentum of the negotiations looking toward a generally acceptable law-of-the-sea treaty.

Mr. Chairman, the kind of conference resolution being discussed is premised on the need for more preparatory work. Accordingly, it is extremely important for the Seabed Committee to accelerate the pace of its work in the months ahead if we are to meet the schedule that I have just outlined. In particular, it would be a mistake to consider providing for any less than the 13 weeks for preparatory work by the Seabed Committee which was suggested earlier by the committee itself. (See paragraph 26 of the committee's report—A/8721.) Of course, the committee can determine how to use that time most productively. For example, it might well be that the first one or two weeks of the eight-week summer session could be more productively devoted to working-group rather than full committee or subcommittee sessions.

Since 1970, the Seabed Committee has held four meetings in discharging its duty of preparing for the conference. Its progress, or the lack of it, has been criticized by some. However, as I have suggested, my government noted a greater dedication to work within the committee at last summer's meeting. This more positive attitude significantly contributed, we believe, to two concrete achievements: first, the adoption of the comprehensive list of subjects and issues and, second, the preparation of draft texts (with alternative formulations where agreement could not be reached) on the principles of a regime for the deep seabed. The former accomplishment fulfills one of the specific directives of Resolution 2750 C, while the latter demonstrates what can be done when members engage in intensive negotiations and detailed drafting with a minimum of rhetoric. We continue to believe that working groups similar to those formed by subcommittees I and III of the Seabed Committee to deal with the international seabed regime and marine pollution are one of the best means to assure progress in treaty drafting, and we would support the establishment

during 1973 of working groups in subcommittee II.

Resolution 2750 C contains a provision permitting the General Assembly to postpone the conference if, upon the review of the Seabed Committee's work, it finds the preparations to be insufficient. As a strictly legal matter, such express authority is not necessary to enable a succeeding General Assembly to alter a decision taken by an earlier one. However, we see no difficulty in including an express provision on this point in a new resolution. In fact, we support its inclusion as the best way of achieving widespread support for a resolution which fixes a definite and confidence-inspiring time schedule. By balancing a fixed and exacting time schedule which could lead to completion of the treaty in 1974 with provision for altering this schedule if progress is insufficient, we maximize the opportunity to finish at the earliest possible date, yet reassure those who do not wish to move to the conference stage without reasonable assurance that the conference has been adequately prepared.

STATEMENT OF DECEMBER 7

As my delegation has already made clear its views on the scheduling and preparations for the Law of the Sea Conference, we will limit our remarks to two points in connection with our affirmative vote on the conference resolution (document A/C.1/L.634).

First, we are pleased that the details of the resolution have been resolved in a manner that permitted such widespread support from all regions. This augurs well for the future of our deliberations and represents a clear determination on the part of all concerned to resolve our substantive problems together at a timely and successful Law of the Sea Conference.

Second, we continue to believe that the precise work schedule for 1974 contained in the resolution is not adequate. However, we have been reassured by statements from

the cosponsors to the effect that the decision regarding eight weeks of work is not necessarily a complete schedule for 1974 and that this could be expanded in an appropriate way by the 28th General Assembly. A number of cosponsors have referred to specific ways of expanding the schedule. It is our view that such an expansion will be necessary. In the light of these assurances, the United States is able to support the resolution as revised by the cosponsors in accordance with the statement of the distinguished Representative of Thailand.

Mr. Chairman, we are encouraged by the wide extent of agreement in this committee on an expanded and accelerated work program for the Seabed Committee in 1973. We believe that the final phase of our preparatory work should begin not in March of 1973 but much sooner than that as governments, alone and in consultation with each other, endeavor to find ways to harmonize the interests of their own countries with those of other countries and the international community in general. Let us arrive in March, having identified our interests more clearly and determined to shape a new and comprehensive treaty on the law of the sea that protects and accommodates all of the major interests involved.

TEXT OF RESOLUTION²

The General Assembly,

Recalling its resolutions 2467 (XXIII) of 21 December 1968, 2750 (XXV) of 17 December 1970 and 2881 (XXVI) of 21 December 1971,

Having considered the report of the Committee on the Peaceful Uses of the Sea-Bed and the Ocean Floor beyond the Limits of National Jurisdiction on the work of its sessions in 1972,

Noting with satisfaction the further progress made towards the preparations for a comprehensive international conference of plenipotentiaries on the law of the sea, including in particular acceptance of a list of subjects and issues relating to the law of the sea,

Reaffirming that the problems of ocean space are closely interrelated and need to be considered as a whole,

²U.N. doc. A/3029 A (XXVII); adopted by the Assembly unanimously on Dec. 18.

Recalling its decision, in resolution 2750 C (XXV) of 17 December 1970, to convene a conference on the law of the sea in 1973,

Expressing the expectation that the conference may be concluded in 1974 and, if necessary as may be decided by the conference with the approval of the General Assembly, at a subsequent session or subsequent sessions no later than 1975,

1. *Reaffirms* the mandate of the Committee on the Peaceful Uses of the Sea-Bed and the Ocean Floor beyond the Limits of National Jurisdiction set forth in General Assembly resolutions 2467 (XXIII) and 2750 (XXV), as supplemented by the present resolution;

2. *Requests* the Committee, in the discharge of its mandate in accordance with resolution 2750 C (XXV), to hold two further sessions in 1973, one of five weeks at New York, beginning in early March, and the other of eight weeks at Geneva, beginning in early July, with a view to completing its preparatory work, and to submit a report with recommendations to the General Assembly at its twenty-eighth session and, in the light of the decision taken under paragraph 5 of this resolution, to the conference;

3. *Requests* the Secretary-General to convene the first session of the Third United Nations Conference on the Law of the Sea at New York for a period of approximately two weeks in November/December 1973, for the purpose of dealing with organizational matters, including the election of officers, the adoption of the agenda and the rules of procedure of the Conference, the establishment of subsidiary organs and the allocation of work to these subsidiary organs;

4. *Decides* to convene the second session of the Conference, for the purpose of dealing with substantive work, at Santiago, Chile, in April/May 1974, for a period of eight weeks, and such subsequent sessions, if necessary, as may be decided by the Conference and approved by the General Assembly, bearing in mind that the Government of Austria has offered Vienna as a site for the Conference for the succeeding year;

5. *Further decides* to review at its twenty-eighth session the progress of the preparatory work of the Committee and, if necessary, to take measures to facilitate completion of the substantive work for the Conference and any other action it may deem appropriate;

6. *Authorizes* the Secretary-General, in consultation with the Chairman of the Committee, to make such arrangements as may be necessary for the efficient organization and administration of the Conference and the Committee, utilizing to the fullest extent possible the resources of staff at his disposal, to render to the Conference and the Committee all the assistance they may require in legal, economic, technical and scientific matters and to provide them with all relevant documentation of

the United Nations, the specialized agencies and the International Atomic Energy Agency;

7. *Decides* to consider as a matter of priority at its twenty-eighth session any further matters requiring decision in connexion with the Conference, including the participation of States in the Conference, and to inscribe on the provisional agenda of that session an item entitled "Reservation exclusively for peaceful purposes of the sea-bed and the ocean floor, and the subsoil thereof, underlying the high seas beyond the limits of present national jurisdiction and use of their resources in the interests of mankind, and convening of a conference on the law of the sea";

8. *Invites* the specialized agencies, the International Atomic Energy Agency and other inter-governmental organizations to co-operate fully with the Secretary-General in the preparations for the Conference and to send observers to the Conference;

9. *Requests* the Secretary-General, subject to approval by the Conference, to invite interested non-governmental organizations having consultative status with the Economic and Social Council to send observers to the Conference;

10. *Decides* that the Conference and its main committees shall have summary records of their proceedings.

U.S. Opposes Establishing Committee To Review U.N. Charter

Following is a statement made in Committee VI (Legal) of the U.N. General Assembly by W. Tapley Bennett, Jr., on December 4, together with the text of a resolution adopted by the committee on December 7 and by the Assembly on December 14.

STATEMENT BY AMBASSADOR BENNETT

USUN press release 153 dated December 5

The United States considers the item before us one of profound importance. Consequently we are pleased at how much of what has been said so far we can wholeheartedly agree with.

I would like first to commend our distinguished colleague and old friend the distinguished Foreign Minister of the Philippines for his constructive and eloquent introduction of the item. We regard as an

appropriate theme for the discussion of this item the following words of General [Carlos P.] Romulo: "the United Nations must keep pace, indeed it must set the pace of change in our changing world."

But we must ask ourselves whether this imperative leads to the conclusion that we must embark on a general review of the charter.

It seems to my delegation unarguably true that the charter has not been interpreted or applied in a rigid and unbending manner. It has, in fact, been interpreted and applied as a document of a constitutional character. The practices of the organization, including General Assembly and Security Council resolutions and the advisory opinions of the International Court of Justice, have contributed to a very substantial evolution of the basic law of the United Nations. Reference has already been made by other speakers to the Uniting for Peace Resolution and the Declaration of Principles of International Law Concerning Friendly Relations and Cooperation Among States as examples of the process of evolution.¹

This is not to say that the system is perfect, much less that it has operated in a perfect manner. As we stated in our written comments to the Secretary General on the question of charter review:²

The performance of the United Nations has admittedly been disappointing on many occasions and in various areas of concern. It has clearly not realized its potential. The United States believes that in so far as this is a reflection of structural or organizational weaknesses in the Organization, every effort should be made to remedy them, and sees much that could be done.

I will not repeat all of the specific suggestions we set forth in our reply to the Secretary General nor reiterate the specific suggestions made by Secretary of State Rogers in his general debate statement.³

Further efforts to rationalize the function-

¹ For text of the resolution, see BULLETIN of Nov. 20, 1950, p. 823; for text of the declaration, see BULLETIN of Nov. 16, 1970, p. 627.

² U.N. doc. A/8746/Add. 1.

³ For Secretary Rogers' statement before the General Assembly on Sept. 25, see BULLETIN of Oct. 16, 1972, p. 425.

ing of the organization are urgently required if the Assembly is to function with acceptable efficiency and effectiveness.

We also continue to believe that the United Nations should establish an associate status short of full membership for states that because of their limited population and resources are unable to fulfill charter obligations and participate fully in the work of the organization.

Nor should these efforts within the existing framework be limited to the General Assembly.

The Security Council must also strive to enhance its effectiveness. The Council should, *inter alia*, make greater use of its existing powers of investigation and recommendation. At the least, greater heed should be paid to the provisions of article 23, which enjoins the Assembly to pay special regard "in the first instance to the contribution of Members of the United Nations to the maintenance of international peace and security and to the other purposes of the Organization" in electing nonpermanent members of the Security Council.

The International Court of Justice has taken what appear to be significant steps to streamline and modernize its procedures. Further study of ways and means of making greater use of the Court seems to us advisable, but more on that when we come to our next item.

Far more important, however, than any of these specific suggestions is the need for states to exhibit the requisite will to make the existing system work. Other speakers have mentioned this need, but it cannot be overstressed.

None of the specific suggestions we have just mentioned, it will be noted, require an amendment of the charter.

This is not to say we oppose charter amendment *per se*. We supported an amendment which increased the size of the Security Council and two amendments increasing the size of the Economic and Social Council. We, however, prefer the case-by-case approach. The case-by-case approach holds greater prospects of bringing about

desirable changes for which there is the required majority support while avoiding acrimonious debate about changes on which there is not broad agreement and which consequently would divide rather than strengthen the institution. If there are changes which command broad support we are prepared to consider them as we did the amendments recommended by the 18th General Assembly and even take the lead in espousing them as we did at the 26th session. Past history indicates that we do not need to launch a new committee on the review of the charter in order to adopt amendments.

We do not hesitate to launch an exercise on the review of the charter merely because we think the resources and energies of governments would be better directed to improving the functioning of the existing machinery. Nor do we doubt the wisdom of such an exercise simply because history has shown that it is not a necessary step on the road to agreeing to amend the charter. Nor would we suggest that the existing strain on the fiscal and personnel resources of the organization is alone sufficient reason to decide not to embark on establishing a new *ad hoc* committee to review the charter—though we would venture to suggest that the sum of these reasons ought to give one pause before embarking on the creation of a new committee. Nor do we share the simplistic notion of the world as divided by differing economic policies—capitalism versus socialism.

The greatest problem with charter review is not its effect on the status quo, but the danger it poses to evolution or even *ad hoc* amendment as a means by which the institution can continue to meet the changing needs. If states are forced to enunciate positions on a wide range of charter provisions in the context of an overall review process, there is considerable danger that they will be less able to adopt flexible attitudes when the need arises. Moreover, an unsuccessful review exercise which resulted in unnecessary confrontations between states or groups of states could increase rather than diminish existing differences and have

the effect of decreasing confidence in the charter and thus render a profound disservice to the United Nations and the cause of peace.

In conclusion, Mr. Chairman, while we are not opposed to the concept of charter review, my delegation shares the doubt of others that this is the time to create a new committee to pursue the matter.

TEXT OF RESOLUTION ⁴

The General Assembly,

Recalling its resolutions 2552 (XXIV) of 12 December 1969 and 2697 (XXV) of 11 December 1970 entitled "Need to consider suggestions regarding the review of the Charter of the United Nations",

Taking note of the observations which were submitted by Governments in response to the inquiry made pursuant to resolution 2697 (XXV) and which are set out in the report of the Secretary-General,

Observing that less than a quarter of the Governments of Member States have replied to the Secretary-General's inquiry and that no general trend of opinion in the United Nations can be deduced from these replies,

Recognizing that a review of the Charter which was not generally supported would militate against the desired result, that is to say, the strengthening of the effectiveness of the United Nations,

Considering that the effectiveness of the United Nations depends in the first place on the conduct of Member States,

1. *Requests* the Secretary-General to invite Member States that have not already done so to submit to him, before 1 July 1974, their views on the desirability of a review of the Charter of the United Nations and their actual suggestions in this respect;

⁴ U.N. doc. A/RES/2968 (XXVII); adopted by the Assembly on Dec. 14 by a vote of 90 (U.S.) to 10, with 25 abstentions.

2. *Further requests* the Secretary-General to present to the General Assembly at its twenty-ninth session a report setting out the views and suggestions of Member States which have been submitted to him in accordance with paragraph 1 above;

3. *Requests* the Secretary-General to bring up to date as quickly as possible the "Repertory of Practice of United Nations Organs";

4. *Decides* to include in the provisional agenda of its twenty-ninth session the item entitled "Need to consider suggestions regarding the review of the Charter of the United Nations".

United Nations Documents: A Selected Bibliography

Mimeographed or processed documents (such as those listed below) may be consulted at depository libraries in the United States. U.N. printed publications may be purchased from the Sales Section of the United Nations, United Nations Plaza, N.Y. 10017.

General Assembly

Report of the International Law Commission on the work of its 24th session, May 2-July 7, 1972.

A/8710. July 22, 1972. 268 pp. plus addendum.

World Disarmament Conference. Report of the Secretary General. A/8817. September 25, 1972. 85 pp.

The Policies of Apartheid of the Government of South Africa—Report of the Special Committee on Apartheid on maltreatment and torture of prisoners in South Africa. By Barakat Ahmad, Rapporteur. A/8770. September 26, 1972. 136 pp.

General and Complete Disarmament—Chemical and Bacteriological (Biological) Weapons—Urgent Need for Suspension of Nuclear and Thermo-nuclear Tests. Report of the Conference of the Committee on Disarmament. A/8818. September 26, 1972. 362 pp.

Implementation of the Declaration on Strengthening of International Security. Report of the Secretary General. A/8775. October 5, 1972. 57 pp.

U.S. and Romania Sign Exchanges Agreement for 1973-1974

Following are a Department announcement issued December 15 and the text of the U.S.-Romania Agreement on Exchanges and Cooperation in Educational, Cultural, Scientific, and Other Fields in 1973-1974 signed at Washington that day.

DEPARTMENT ANNOUNCEMENT

Press release 310 dated December 15

The United States and Romania on December 15 concluded an Agreement on Exchanges and Cooperation in Educational, Cultural, Scientific, Technical, and Other Fields in 1973-1974.

Walter J. Stoessel, Jr., Assistant Secretary for European Affairs, and Corneliu Bogdan, Romanian Ambassador to the United States, signed the agreement at Washington.

The new agreement reflects the mutual interest of the United States and Romania in a continued expansion and improvement of exchanges. The most comprehensive in a series of biennial accords which began in 1960, the agreement signed December 15 contains several new features. It is in the form of an intergovernmental agreement rather than of a program effected by exchange of diplomatic notes as in the past. It provides for an increase in the number of scholars exchanged between the two countries each year. Delegations of university officials will be exchanged for visits of three or four weeks' duration, and a bilateral seminar on an aspect of education to be agreed upon will be organized in each country. An expansion of scientific-medical exchanges is also called for, as well as the conclusion of a memorandum of understand-

ing between the U.S. National Science Foundation and the Romanian National Council for Science and Technology; and an entirely new section covering government, social, professional, and civic exchanges has been included. Other sections of the agreement provide for exchanges and other activities in the performing and creative arts, books and publications, radio and television, exhibits, motion pictures, sports, and tourism.

TEXT OF AGREEMENT

Press release 310A dated December 15

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE SOCIALIST REPUBLIC OF ROMANIA ON EXCHANGES AND COOPERATION IN EDUCATIONAL, CULTURAL, SCIENTIFIC, TECHNICAL, AND OTHER FIELDS IN 1973-1974

The Government of the United States of America and the Government of the Socialist Republic of Romania,

Considering the historic ties of friendship between the American and the Romanian peoples;

Believing that exchanges and cooperation in educational, cultural, scientific, technical, and other fields will contribute to the further broadening of mutual understanding between the American and the Romanian peoples and to the continued development of mutually beneficial relations between the two countries;

Recognizing that exchanges and cooperation between the educational, cultural, scientific and technical institutions of the two countries will contribute to the cultural and material development of their peoples;

Agree as follows:

ARTICLE I

Education

1. a. The United States will make every effort to receive annually from the Socialist Republic of Romania 17 graduate students or young instructors

and 18 research scholars for a period of one academic year each, with the understanding that four of the graduate students will be considered for up to three years of study on a program leading to a doctoral degree.

b. The Socialist Republic of Romania will make every effort to receive annually from the United States 15 graduate students or young instructors and 10 research scholars for a period of one academic year each, with the understanding that four of the graduate students will be considered for up to three years of study on a program leading to a doctoral degree.

c. In selecting the fields of study under subparagraphs a and b above, the Parties will make every effort to achieve a suitable balance between the pure and applied sciences and the social sciences and humanities.

d. The Parties will make every effort to receive annually three graduate students or specialists in the fine or performing arts for visits which, for the three together, total 12 months.

2. The Parties will receive during the period of this Agreement 15 faculty members of educational institutions for 21 to 60 day visits totaling 18 months for the purpose of observation and research in mutually acceptable fields.

3. The Parties will make every effort to promote the study of the language, literature and civilization of the two countries in the following manner:

a. The United States will make every effort to receive each academic year four university professors or instructors, at least two of whom will be specialists in the teaching of the Romanian language and literature. The United States will explore the possibility of receiving up to four additional professors or instructors annually.

b. The Socialist Republic of Romania will make every effort to receive each academic year four university professors or instructors in the English language and American studies. The Socialist Republic of Romania will explore the possibility of receiving up to four additional professors or instructors annually.

c. The Parties also agree to encourage the acceptance at universities or other academic institutions of visiting lecturers of the other country in mutually acceptable fields of specialization.

4. The Parties will make every effort further to promote the study of the language and literature of the other country in the following manner:

a. The Socialist Republic of Romania will receive annually up to 15 American scholars at the summer courses on the language, literature, history and art of the Romanian people, of whom up to eight will receive scholarships from the Romanian side; and

b. The Socialist Republic of Romania will receive

annually three American lecturers at the summer course for Romanian teachers of English.

5. The Parties will encourage the conclusion of arrangements for direct collaboration between their universities and institutions of higher learning. Such collaboration may include, but need not be limited to, cooperative research projects, the granting of scholarships and fellowships at the undergraduate and graduate levels, and the exchange of teachers for lectures and research.

6. The United States will provide annually the opportunity for four Romanians to participate in the program of the Council of International Programs for Youth Leaders and Social Workers, Inc.

7. The United States will provide annually the opportunity for up to three Romanian teachers of science to participate in the summer institutes sponsored by the National Science Foundation.

8. The Parties will encourage their academic institutions to send young instructors, graduate students or research scholars to pursue doctoral or other specialized studies in the other country. The expenses of these scholars will be borne by the sending side.

9. The Parties will encourage the exchange of materials in the field of education (study plans, analytical programs, text books, etc.) between institutions of scientific research and education of the two countries.

10. The Parties will exchange delegations of three or four university officials for three to four week visits, one delegation in each direction, during the period of the agreement. The delegations will visit universities and other institutions of higher learning in order to familiarize themselves with the university system in the host country.

11. Each Party will organize in its own country one conference during the period of the agreement on an aspect of education to be agreed on through diplomatic channels. Each conference will be attended by three to six participants from each country and will include visits to pertinent educational institutions. The two Parties will agree on dates and agendas 60 days prior to each conference.

12. The United States will provide annually the opportunity for two Romanian writers to participate in the University of Iowa International Writing Program. Arrangements for this participation will be made through diplomatic channels.

ARTICLE II

Science and Technology

1. The Parties will promote and assist, as appropriate, scientific and technical cooperation and exchanges between the two countries and will encourage and facilitate direct contacts and cooperation between agencies, scientific institutions, and institutions of higher learning and enterprises of the two countries.

2. Scientific and technical cooperation under this Agreement may include, but need not be limited to, the following:

- a. Exchange of scientists and specialists for both short and long term visits;
- b. Exchange of scientific and technical information and documentation;
- c. Joint research, exchange of research results and experience, and joint development and implementation of programs and projects in the basic and applied sciences;
- d. Organization of joint courses, conferences, and symposia, including the exchange of leading scientists to give lectures and conduct classes and seminars for selected groups of scientists and researchers; and
- e. Other forms of scientific and technical cooperation as may be mutually agreed upon.

3. Each Party will encourage invitations to scientists, scholars, and specialists of the other country to attend international congresses or conferences or other scientific and scholarly meetings with international participation in the Party's own country.

4. The Parties will encourage and support the conduct of cooperative research, joint seminars, and scientific visits between scientists and institutions of their respective countries in fields of concurrent interest to the National Science Foundation of the United States of America and the National Council for Science and Technology of the Socialist Republic of Romania. Specific activities to be conducted shall be those proposed by scientists and scientific institutions of each country. These proposals shall be exchanged between the National Science Foundation of the United States and the National Council for Science and Technology of the Socialist Republic of Romania and shall require their joint approval. Wherever appropriate, the Parties will undertake to promote participation by scientists of other countries in these activities.

The Parties will also support the conclusion of a memorandum of understanding between the National Science Foundation and the National Council for Science and Technology on scientific and technological cooperation.

5. The Department of Health, Education, and Welfare of the United States of America and the Ministry of Health of the Socialist Republic of Romania will provide for the exchange annually from each country of:

- a. up to seven specialists in medicine and public health, for three to four weeks each, to visit specialized institutions and exchange information; and
- b. up to four medical specialists, for up to six months each, to carry out specific research projects in fields of common interest.

The Parties will also facilitate the exchange of medical publications, appropriate films, and biological materials between the Department and the Ministry. Details of the specific exchanges provided for under this paragraph, including necessary administrative arrangements, as well as any new exchanges in the field of health, shall be agreed upon directly between the Department and the Ministry.

6. The Parties will take all appropriate measures to encourage and achieve the fulfillment of the following agreements:

- a. The Memorandum of Understanding on Exchanges between the National Academy of Sciences of the United States of America and the Academy of the Socialist Republic of Romania;

- b. The Agreement for an Exchange between the International Research and Exchanges Board (IREX) of the United States of America and the National Council for Science and Technology of the Socialist Republic of Romania;

- c. The Memorandum of Understanding on Transportation Research Cooperation between the Department of Transportation of the United States of America and the Ministry of Transportation and Telecommunications of the Socialist Republic of Romania; and

- d. The exchange of letters between the Ambassador of the United States of America to the Socialist Republic of Romania and the Chairman of the National Council for Science and Technology of the Socialist Republic of Romania representing a joint understanding on cooperative scientific research programs between the National Science Foundation of the United States of America and the National Council for Science and Technology of the Socialist Republic of Romania.

7. The Parties will support the renewal of the Memorandum of Cooperation between the Atomic Energy Commission of the United States of America and the State Committee for Nuclear Energy of the Socialist Republic of Romania, including any mutually agreed upon amendments.

8. The Parties will support cooperation between the International Research and Exchanges Board (IREX) of the United States of America and the Academy of Social and Political Sciences of the Socialist Republic of Romania.

ARTICLE III

Performing and Creative Arts

1. The Parties will encourage the exchange of leading professional and academic musical, dance, and theatrical groups, conductors, and individual artists. The United States will encourage the acceptance by American impresarios of Romanian performing arts groups and individual artists in the United States. The Romanian side will encourage the acceptance by the Agency for Artistic

Management (ARIA) of American performing arts groups and individual artists in the Socialist Republic of Romania.

2. The Parties will make every effort to receive, on a basis of reciprocity, four specialists annually for observation and exchange of information in the fields of drama, music, literature or other cultural and artistic fields, for 30 days each.

Each Party will explore the possibility of receiving one or two cultural leaders for visits of shorter duration.

3. The Parties will encourage the performance of theatrical and musical plays of the other country, subject to the consent of the authors or compliance with other legal requirements.

4. The Parties will encourage the invitation of distinguished artists, cultural representatives and young performing artists from the other country to take part in cultural-artistic events with international participation which are organized in their own countries.

ARTICLE IV

Books and Publications

1. The United States will encourage the Library of Congress and other libraries in the United States, and the Socialist Republic of Romania will encourage the State Central Library and other libraries in Romania, to expand existing exchanges of printed and duplicated materials.

2. The Parties will encourage, subject to the consent of the authors or compliance with other legal requirements, the translation and publication in their respective countries of scientific and literary works, including anthologies, dictionaries, and other compilations, as well as scientific studies, reports, and articles published in the other country.

3. The Parties will encourage the exchange of scholarly publications and microfilms of manuscripts and documents found in their archives, museums, and libraries, relating to the history of the two countries.

4. The Parties will encourage the exchange of specialized publications and microfilms between the National Archives of the United States of America and the General Department of State Archives of the Socialist Republic of Romania.

ARTICLE V

Radio and Television

The Parties will encourage and facilitate exchanges in the fields of radio and television by exchanging radio materials, such as radio commentary and musical programs, and by exchanging television films on documentary, artistic and musical subjects.

ARTICLE VI

Exhibits

1. The Parties agree to exchange one exhibit an-

nually to be shown in three cities for a period of four weeks in each city. The themes for the exhibits and details as to itinerary and other conditions will be determined through diplomatic channels.

2. The Parties will encourage the exchange of other exhibits, and the necessary arrangements will be made directly between appropriate organizations of the two countries. These medium-sized or smaller exhibits may incorporate appropriate activities related to the themes of the exhibits. Each exhibit may be accompanied by such personnel as the sending side deems necessary.

3. The Parties will exchange information concerning the cultural-scientific life of each country, and will facilitate the participation of the other country in national cultural-artistic exhibits and events with international participation which are organized in their own country.

4. The Parties will encourage the museums of the two countries to establish and develop direct contacts with the aim of exchanging exhibits, informative materials, albums, art monographs, and other publications of mutual interest.

5. The Parties will make every effort to exchange annually a small exhibit of photographs devoted to current topics in the life and cultures of the two countries.

ARTICLE VII

Motion Pictures

1. The Parties will encourage the conclusion of contracts between American film companies and Romanian film organizations for the purchase and sale of mutually acceptable feature films.

2. The Parties will encourage the exchange of mutually acceptable documentary and scientific films between corresponding organizations of the two countries.

3. The Parties will encourage the joint production of feature and documentary films and will cooperate in the field of motion pictures through other means that may be agreed upon.

4. The Parties will encourage the establishment of contacts and exchanges of information between film publications and associations of film specialists of the two countries.

5. Each Party will encourage the reception of film specialists and films at international film festivals or meetings of cinematographers to be held in its own country.

6. Each Party will encourage the sponsoring by appropriate organizations, including film libraries, of a film week devoted to the films of the other country. Film specialists from the other country may be invited to these functions. Organizational and financial details will be established through diplomatic channels or between the corresponding organizations.

7. The Parties will encourage the exchange of films and informational materials between the Na-

tional Film Archives of the Socialist Republic of Romania and appropriate institutions in the United States.

ARTICLE VIII

Government, Social, Professional and Civic Exchanges

1. The Parties agree to render assistance to members of the Congress of the United States of America and deputies of the Grand National Assembly of the Socialist Republic of Romania, as well as to other officials of the national governments of both countries, making visits to Romania and the United States respectively, concerning which the Parties will agree in advance through diplomatic channels.

2. The Parties agree to encourage exchanges of representatives of municipal, local and state governments of the United States and Romania to study various functions of government at these levels.

3. The Parties agree to encourage joint undertakings and exchanges between appropriate organizations active in civic, social, and professional life, including youth and women's organizations, recognizing that the decision to implement such joint undertakings and exchanges remains a concern of the organizations themselves.

ARTICLE IX

Sports

1. The Parties will facilitate the development of exchanges in the field of sports and will support the exchange of experience and information between the organizations, federations, and institutions of physical education and sport in the two countries.

2. These exchanges and visits will be agreed upon between the appropriate United States and Romanian organizations.

ARTICLE X

Tourism

The Parties agree to encourage arrangements for tourist travel between the two countries and measures to satisfy the requests of tourists, as individuals or in groups, to acquaint themselves with the life, work and culture of the people of each country.

ARTICLE XI

General

1. The exchanges and visits provided for herein shall be subject to the constitutional requirements and applicable laws and regulations of the two countries. Within this framework, both Parties will use their best efforts to promote favorable conditions for the fulfillment of these exchanges and visits in accordance with the provisions and objectives of this Agreement.

2. This Agreement shall not preclude other exchanges and visits which may be arranged by interested organizations or individuals, it being understood that arrangements for additional exchanges and visits will be facilitated by prior agreement through diplomatic channels or between appropriate organizations.

3. The Parties agree to hold, within one year after the entry into force of this Agreement, a meeting of their representatives to discuss the implementation of exchanges in 1973 and the development of the program for 1974.

ARTICLE XII

Entry into Force

This Agreement shall enter into force on January 1, 1973.

IN WITNESS WHEREOF, the undersigned, being duly authorized, have signed this Agreement.

DONE at Washington, in two originals, in the English and Romanian languages, both equally authentic, this fifteenth day of December, 1972.

For the Government of the United States of America:

WALTER J. STOESSEL, Jr.

For the Government of the Socialist Republic of Romania:

CORNELIU BOGDAN

Current Actions

MULTILATERAL

Atomic Energy

Amendment of article VI of the statute of the International Atomic Energy Agency of October 26, 1956, as amended (TIAS 3873, 5284). Done at Vienna September 28, 1970.¹

Acceptances deposited: Cyprus, January 12, 1973; Jamaica, January 10, 1973.

Aviation

Convention for the suppression of unlawful seizure of aircraft. Done at The Hague December 16, 1970. Entered into force October 14, 1971. TIAS 7192.

Accession deposited: Ivory Coast, January 9, 1973.

Convention for the suppression of unlawful acts against the safety of civil aviation. Done at Montreal September 23, 1971. Entered into force January 26, 1973.

Signature: Egypt, November 24, 1972.

Accession deposited: Ivory Coast, January 9, 1973.

¹ Not in force.

Continental Shelf

Convention on the continental shelf. Done at Geneva April 29, 1958. Entered into force June 10, 1964. TIAS 5578.

Accession deposited: Greece (with a reservation), November 6, 1972.

Ocean Dumping

Convention on the prevention of marine pollution by dumping of wastes and other matter, with annexes. Done at London, Mexico City, Moscow, and Washington December 29, 1972.¹

Signatures: Bolivia, Byelorussian Soviet Socialist Republic, Canada, Colombia, Costa Rica, Haiti, Honduras, December 29, 1972; Lesotho, January 8, 1973; Nepal, Ukrainian Soviet Socialist Republic, Uruguay, December 29, 1972.

Oil Pollution

Amendments to the international convention for the prevention of pollution of the sea by oil, 1954, as amended (TIAS 4900, 6109). Adopted at London October 12, 1971.¹

Acceptance deposited: Jordan, December 8, 1972.

Amendments to the international convention for the prevention of pollution of the sea by oil, 1954, as amended (TIAS 4900, 6109). Adopted at London October 15, 1971.¹

Acceptance deposited: Jordan, December 8, 1972.

Postal Matters

Additional protocol to the constitution of the Universal Postal Union with final protocol signed at Vienna July 10, 1964 (TIAS 5881), general regulations with final protocol and annex, and the universal postal convention with final protocol and detailed regulations. Signed at Tokyo November 14, 1969. Entered into force July 1, 1971, except for article V of the additional protocol, which entered into force January 1, 1971. TIAS 7150.

Ratifications deposited: Gabon, November 23, 1972; India, November 17, 1972.

Money orders and postal travellers' cheques agreement, with detailed regulations and forms. Signed at Tokyo November 14, 1969. Entered into force July 1, 1971; for the United States December 31, 1971. TIAS 7236.

Ratification deposited: Gabon, November 23, 1972.

Safety at Sea

Amendments to the international convention for the safety of life at sea, 1960 (TIAS 5780). Adopted at London November 26, 1968.¹

Acceptance deposited: Greece, December 13, 1972.

Satellite Communications System

Agreement relating to the International Telecommunications Satellite Organization (Intelsat), with annexes. Done at Washington August 20, 1971. Enters into force February 12, 1973.

Ratification deposited: Tanzania, January 9, 1973.

Wheat

International wheat agreement, 1971. Open for signature at Washington March 29 through May 3, 1971. Entered into force June 18, 1971, with respect to certain provisions, July 1, 1971, with respect to other provisions; for the United States July 24, 1971. TIAS 7144.

Accession to the Wheat Trade Convention deposited: Dominican Republic, December 29, 1972.

BILATERAL

Bolivia

Agreement for sales of agricultural commodities, relating to the agreement of April 29, 1971 (TIAS 7231). Signed at La Paz December 20, 1972. Entered into force December 20, 1972.

Korea

Agreement relating to the loan of the U.S.S. *Larson* to Korea. Effected by exchange of notes at Seoul October 30 and December 21, 1972. Entered into force December 21, 1972.

United Kingdom

Agreement for the reciprocal recognition of certificates of airworthiness for imported aircraft. Effected by exchange of notes at Washington September 11 and 17, 1934. Entered into force October 17, 1934. 49 Stat. 3652.

Terminated: December 28, 1972.

Agreement relating to the reciprocal acceptance of airworthiness certifications. Effected by exchange of notes at London December 28, 1972. Entered into force December 28, 1972.

Viet-Nam

Agreement relating to the transfer of scrap to Viet-Nam as supplementary military assistance. Effected by exchange of notes at Saigon November 8 and December 14, 1972. Entered into force December 14, 1972.

¹ Not in force.

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Releases issued prior to January 8 which appear in this issue of the BULLETIN are Nos. 310 and 310A of December 15 and 322 of December 29.

No.	Date	Subject
3	1/11	Isham: 173d plenary session on Viet-Nam at Paris.
*4	1/12	Biography of Secretary Rogers.
*5	1/12	National Review Board of the East-West Center to meet at Honolulu, Jan. 29-30.

* Not printed.

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THE DEPARTMENT OF STATE BULLETIN

VOL. LXVIII, No. 1754
February 5, 1973

The Department of State BULLETIN, a weekly publication issued by the Office of Media Services, Bureau of Public Affairs, provides the public and interested agencies of the government with information on developments in the field of U.S. foreign relations and on the work of the Department and the Foreign Service.

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The Second Inaugural Address of President Nixon¹

Mr. Vice President, Mr. Speaker, Mr. Chief Justice, Senator Cook, Mrs. Eisenhower, and my fellow citizens of this great and good country we share together:

When we met here four years ago, America was bleak in spirit, depressed by the prospect of seemingly endless war abroad and of destructive conflict at home.

As we meet here today, we stand on the threshold of a new era of peace in the world.

The central question before us is: How shall we use that peace?

Let us resolve that this era we are about to enter will not be what other postwar periods have so often been: a time of retreat and isolation that leads to stagnation at home and invites new danger abroad.

Let us resolve that this will be what it can become: a time of great responsibilities greatly borne, in which we renew the spirit and the promise of America as we enter our third century as a nation.

This past year saw far-reaching results from our new policies for peace. By continuing to revitalize our traditional friendships, and by our missions to Peking and to Moscow, we were able to establish the base for a new and more durable pattern of relationships among the nations of the world. Because of America's bold initiatives, 1972 will be long remembered as the year of the greatest progress since the end of World War II toward a lasting peace in the world.

The peace we seek in the world is not the flimsy peace which is merely an interlude between wars, but a peace which can endure for generations to come.

It is important that we understand both the necessity and the limitations of America's role in maintaining that peace.

Unless we in America work to preserve the peace, there will be no peace. Unless we in America work to preserve freedom, there will be no freedom.

But let us clearly understand the new nature of America's role as a result of the new policies we have adopted over these past four years.

We shall respect our treaty commitments.

We shall support vigorously the principle that no country has the right to impose its will or rule on another by force.

We shall continue, in this era of negotiation, to work for the limitation of nuclear arms and to reduce the danger of confrontation between the great powers.

We shall do our share in defending peace and freedom in the world. But we shall expect others to do their share.

The time has passed when America will make every other nation's conflict our own or make every other nation's future our responsibility or presume to tell the people of other nations how to manage their own affairs.

Just as we respect the right of each nation to determine its own future, we also recognize the responsibility of each nation to secure its own future.

Just as America's role is indispensable in preserving the world's peace, so is each nation's role indispensable in preserving its own peace.

Together with the rest of the world, let us resolve to move forward from the beginnings we have made. Let us continue to bring down the walls of hostility which have divided the

¹ Delivered on Jan. 20 (Weekly Compilation of Presidential Documents dated Jan. 22)

world for too long and to build in their place bridges of understanding—so that despite profound differences between systems of government, the people of the world can be friends.

Let us build a structure of peace in the world in which the weak are as safe as the strong, in which each respects the right of the other to live by a different system, in which those who would influence others will do so by the strength of their ideas and not by the force of their arms.

Let us accept that high responsibility not as a burden, but gladly—gladly because the chance to build such a peace is the noblest endeavor in which a nation can engage, gladly also because only if we act greatly in meeting our responsibilities abroad will we remain a great nation and only if we remain a great nation will we act greatly in meeting our challenges at home.

We have the chance today to do more than ever before in our history to make life better in America—to insure better education, better health, better housing, better transportation, a cleaner environment; to restore respect for law, to make our communities more livable; and to insure the God-given right of every American to full and equal opportunity.

Because the range of our needs is so great, because the reach of our opportunities is so great, let us be bold in our determination to meet those needs in new ways.

Just as building a structure of peace abroad has required turning away from old policies that have failed, so building a new era of progress at home requires turning away from old policies that have failed.

Abroad, the shift from old policies to new has not been a retreat from our responsibilities, but a better way to peace. And at home, the shift from old policies to new will not be a retreat from our responsibilities, but a better way to progress.

Abroad and at home, the key to those new responsibilities lies in the placing and the division of responsibility. We have lived too long with the consequences of attempting to gather all power and responsibility in Washington.

Abroad and at home, the time has come to turn away from the condescending policies of paternalism—of “Washington knows best.”

A person can be expected to act responsibly only if he has responsibility. This is human nature. So let us encourage individuals at home and nations abroad to do more for themselves, to decide more for themselves. Let us locate responsibility in more places. And let us measure what we will do for others by what they will do for themselves.

That is why today I offer no promise of a purely governmental solution for every problem. We have lived too long with that false promise. In trusting too much in government, we have asked of it more than it can deliver. This leads only to inflated expectations, to reduced individual effort, and to a disappointment and frustration that erode confidence both in what government can do and in what people can do.

Government must learn to take less from people so that people can do more for themselves.

Let us remember that America was built not by government, but by people; not by welfare, but by work; not by shirking responsibility, but by seeking responsibility.

In our own lives, let each of us ask not just what will government do for me, but what can I do for myself? In the challenges we face together, let each of us ask not just how can government help, but how can I help?

Your national government has a great and vital role to play. And I pledge to you that where this government should act, we will act boldly and we will lead boldly. But just as important is the role that each and every one of us must play, as an individual and as a member of his own community.

From this day forward, let each of us make a solemn commitment in his own heart to bear his responsibility, to do his part, to live his ideals—so that together we can see the dawn of a new age of progress for America and together, as we celebrate our 200th anniversary as a nation, we can do so proud in the fulfillment of our promise to ourselves and to the world.

As America's longest and most difficult war comes to an end, let us again learn to debate our differences with civility and decency. And let each of us reach out for that one precious quality government cannot provide: a new level of respect for the rights and feelings of one another, a new level of respect for the individual human dignity which is the cherished birthright of every American.

Above all else, the time has come for us to renew our faith in ourselves and in America. In recent years, that faith has been challenged. Our children have been taught to be ashamed of their country, ashamed of their parents, ashamed of America's record at home and its role in the world.

At every turn we have been beset by those who find everything wrong with America and little that is right. But I am confident that this will not be the judgment of history on these remarkable times in which we are privileged to live.

America's record in this century has been unparalleled in the world's history for its responsibility, for its generosity, for its creativity, and for its progress.

Let us be proud that our system has produced and provided more freedom and more abundance, more widely shared, than any system in the history of the world.

Let us be proud that in each of the four wars in which we have been engaged in this century, including the one we are now bringing to an end, we have fought not for our selfish advantage, but to help others resist aggression.

And let us be proud that by our bold new initiatives, by our steadfastness for peace with honor, we have made a breakthrough toward creating in the world what the world has not known before: a structure of peace that can last, not merely for our time but for generations to come.

We are embarking here today on an era that presents challenges as great as those any nation or any generation has ever faced.

We shall answer to God, to history, and to our conscience for the way in which we use these years.

As I stand in this place so hallowed by history, I think of others who have stood here before me. I think of the dreams they had for America, and I think of how each recognized that he needed help far beyond himself in order to make those dreams come true.

Today I ask your prayers that in the years ahead I may have God's help in making decisions that are right for America, and I pray for your help so that together we may be worthy of our challenge.

Let us pledge together to make these next four years the best four years in America's history so that on its 200th birthday America will be as young and as vital as when it began and as bright a beacon of hope for all the world.

Let us go forward from here confident in hope, strong in our faith in one another, sustained by our faith in God who created us, and striving always to serve His purpose.

174th Plenary Session on Viet-Nam Held at Paris

Following are remarks made by Heyward Isham, deputy head of the U.S. delegation, at the 174th plenary session of the meetings on Viet-Nam at Paris on January 18.

Press release 13 dated January 18

Ladies and gentlemen: Recent developments in the search for a solution of the Viet-Nam conflict give grounds for encouragement. Negotiations have made progress, in the judgment of both sides. In recognition of that progress, President Nixon made the decision to suspend bombing, shelling, and further mining throughout North Viet-Nam on January 15. Negotiations—seriously undertaken by both sides—continue.

It is clear that continued determination and seriousness are required for further progress in the negotiating tasks still before us.

It is also clear that we must concentrate our efforts in this forum on the processes of transition from war to a negotiated peace which is just and advantageous for all.

To evolve from adversary relationships

will require much restraint and an unremitting effort toward mutual understanding. Outworn verbiage and outmoded conceptions should be modified in the light of realities, in order to undertake the constructive effort necessary for restoring peace.

Some of the benefits of serious negotiations have already become apparent. Achieving the full promise of negotiations depends upon the effort, attitude, and will of both sides.

We will not be sparing of our negotiating effort. Our attitude will continue to be correct and serious. As for our will, let me reiterate that there can be no question whatever of President Nixon's determination to achieve a settlement of the conflict which establishes a peace of justice and conciliation. I have concluded.

Letters of Credence

Bulgaria

The newly appointed Ambassador of the People's Republic of Bulgaria, Christo Delchev Zdravchev, presented his credentials to President Nixon on December 19. For texts of the Ambassador's remarks and the President's reply, see Department of State press release dated December 19.

Ecuador

The newly appointed Ambassador of Ecuador, Alberto Quevedo Toro, presented his credentials to President Nixon on December

19. For texts of the Ambassador's remarks and the President's reply, see Department of State press release dated December 19.

Greece

The newly appointed Ambassador of Greece, John A. Sorokos, presented his credentials to President Nixon on December 19. For texts of the Ambassador's remarks and the President's reply, see Department of State press release dated December 19.

Laos

The newly appointed Ambassador of the Kingdom of Laos, Pheng Norindr, presented his credentials to President Nixon on December 19. For texts of the Ambassador's remarks and the President's reply, see Department of State press release dated December 19.

Panama

The newly appointed Ambassador of the Republic of Panama, Nicolas Gonzalez Revilla, presented his credentials to President Nixon on December 19. For texts of the Ambassador's remarks and the President's reply, see Department of State press release dated December 19.

Sudan

The newly appointed Ambassador of the Democratic Republic of the Sudan, Abdel Aziz Al Nasri Hamza, presented his credentials to President Nixon on December 19. For texts of the Ambassador's remarks and the President's reply, see Department of State press release dated December 19.

The Need for a Negotiating Process in the Middle East

Address by Secretary Rogers¹

Ambassador [Yitzhak] Rabin, whom we honor tonight, is a distinguished representative of the Washington diplomatic corps, a diplomatic corps that I believe is unexcelled in any world capital. So in paying tribute to a man who epitomizes the excellence of the diplomats assigned to Washington I want to take this opportunity to acknowledge the abilities not only of Ambassador Rabin but of his colleagues as well and to express appreciation to the governments which they represent for sending us such qualified men.

So in one sense it could be said that in honoring Ambassador Rabin we honor his profession. However, in the spirit that brings to this room such an impressive gathering of distinguished Americans, we are here especially to honor Ambassador Rabin, a gentleman and friend.

Mr. Ambassador, in almost five years in Washington you have earned the respect of all who have worked with you. You have understood the nature of relations between the United States and Israel, and you have built upon them. Your advocacy of your country's interests has been vigorous, imaginative, and openminded. Though the United States and Israel often look at things from the same perspective, you have been exceptionally skillful in clarifying and putting forth your country's views when they have sharply differed from our own. You have understood the United States and interpreted Israel faithfully to us. You have steadfastly pursued the search for peace in the Middle

East, a peace which will be real and not illusory.

There is, of course, no higher purpose that can motivate a country's policies than the search for a just and lasting peace. It is the goal to which American foreign policy is dedicated: to build a world in which, as Ambassador Rabin has done, the soldier steps back in favor of the diplomat. As President Nixon himself put it in his first inaugural address: "Where peace is unknown, make it welcome; where peace is fragile, make it strong; where peace is temporary, make it permanent."

In the last four years we have made dramatic, though at times uneven, progress toward that goal. We will persist in the pursuit, wherever the effort is required, over the next four.

Certainly our success in drastically reducing great-power tensions—between the United States and the Soviet Union and between the United States and the People's Republic of China—is a major advance toward a future at peace. Longstanding contentious relationships are changing into relations of "mutually beneficial cooperation."² Fundamental differences, of course, will remain. But we are intent upon building a pattern of mutual commitments that will reinforce the natural desires of our peoples for a world free of war.

Patient, creative, persistent negotiation has been essential to the progress we have made. Further progress is necessary to

¹ Made at a dinner sponsored by the Conference of Presidents of Major American Jewish Organizations at New York, N.Y., on Jan. 17 (press release 8).

² For text of a joint communique issued at Moscow on May 29, 1972, during President Nixon's visit, see BULLETIN of June 26, 1972, p. 899.

achieve our realistic hope for a generation of peace.

We will seize every opportunity in the coming months to continue toward that goal:

—We will seek to achieve with the U.S.S.R. not just a limitation but a reduction of offensive strategic weapons. We have already limited anti-ballistic missile systems and agreed not to deploy them for a defense of our national territories. Now we must seek to actually lower the level of the offensive strategic forces that pose the threat to the security of us both.

—We will seek to bring about greater freedom of movement and ideas throughout Europe. In a period of interdependence and of détente greater understanding and expanded exchanges of ideas and peoples will be essential to a stable peace. In this connection Chairman Brezhnev's [Leonid I. Brezhnev, General Secretary of the Soviet Communist Party] recent statement that "the possibilities here are quite broad" encourages us to expect progress toward this end at the forthcoming Conference on Security and Cooperation in Europe.

—We will seek a mutual and balanced reduction of military forces in central Europe. Under an improving political atmosphere in Europe a mutual reduction of military forces can further help to lower tensions while preserving the security of both sides. In the exploratory talks shortly to start we will lay the basis for serious negotiations for this purpose next fall.

—We will seek to expand our exchanges and visits and at least to double our current level of trade with the People's Republic of China during 1973. Already we have increased our trade with China from less than \$5 million to about \$100 million and have initiated the first significant exchanges of visits between us in 25 years. We are pleased with that progress and expect to see it progressively continued.

It is not through rhetoric but out of accomplishments such as these that the basis of a peaceful world will be built.

Thus it is that we have persistently sought to bring a lasting and honorable peace to

Viet-Nam. As you know, President Nixon's decision to suspend the bombing, shelling, and further mining of North Viet-Nam was the result of progress in the latest round of negotiations.

Peace in Viet-Nam naturally is of major concern, but there can be no assurance of a generation of peace without a lasting settlement in the Middle East.

The United States has in the last four years devoted serious and painstaking efforts toward this objective, one that has eluded the world for a quarter century. The 1970 cease-fire along the Suez Canal—the result of a U.S. initiative and in whose achievement Ambassador Rabin played an important role—was a signal advance. Fighting along the canal has been stopped for almost 2½ years, an accomplishment that continues to benefit all the parties.

But negotiations are not yet underway. We believe progress toward a solution can only be made through a genuine, meaningful negotiating process, direct or indirect. A decision to enter negotiations does not require changes in objectives or policies. Negotiations only require a willingness to look for solutions and to seriously and thoughtfully consider possibilities of mutual accommodation. Negotiations can bring about the mutual clarifications of concepts and the determinations of ultimate national interests from which a permanent peace can emerge.

When President Nixon expressed the hope four years ago that the world was moving from an era of confrontation to one of negotiation he was not speaking exclusively of relations among superpowers. He was speaking about the process and about the hope such a process provides for settling disputes among all nations. Thus, not only have there been serious and wide-ranging negotiations between ourselves, the Soviet Union, and the People's Republic of China, but antagonists elsewhere across the globe are also involved in negotiation: East Germans with West Germans, Pakistanis with Indians, North Koreans with South Koreans. I think it is clear that the policies of the President have contributed to these gratifying developments

and to the improvement of the climate for peace in all parts of the world.

The Middle East remains an exception to the effort to reconcile differences through an active dialogue. However, relaxation of tensions between the major powers, improved conditions in other countries of the area, and the maintenance of the military balance combine to make 1973 a favorable time for negotiations. We are convinced that both sides, Arabs and Israelis, want a settlement based on the U.N. Security Council resolution of November 1967.³ Thus, in our judgment the doors of diplomacy remain open.

The most realistic approach, we continue to believe, would be to begin with negotiations on an interim Suez Canal agreement. Such a development would:

- Separate the military forces of the two sides;

- Reinforce the cease-fire;

- Result in partial Israeli withdrawal; and

- Open the Suez Canal to international commerce.

Its conclusion and observance would build confidence and provide momentum toward a permanent settlement. Its achievement would be not an end of the process, but a first decisive step facilitating negotiations to carry out Security Council resolution 242 in its entirety.

President Nixon has publicly stated that we will be giving a very high priority to the Middle East. We will be active in ascertaining if and how we can help the parties initiate a genuine negotiating process.

The bonds between the United States and Israel are excellent. Our relationship with many of the Arab states is also excellent, and we have interests in and ties to the entire region. We earnestly hope that those ties will improve and expand.

No area of the world could benefit more from peace and from the healing that would follow than could the Middle East. In an area that is heir to a bitter history, it is understandable that leaders feel an obligation to previous generations, an obligation

to seek to correct inequities of the past as they see them. But surely the obligation to future generations is even greater. What is of central importance is to keep the future in mind and to create conditions under which the peoples of the entire region can live at peace with each other. Certainly resumption of warfare would not advance this purpose. Generations to come in the Middle East will judge our era by what it hands on. It must hand on the achievement of peace, a peace that will take into account the interests of Israel, of the Arab states, and of the Palestinians as well.

Ambassador Rabin, as one of the few men in Israel—or elsewhere, for that matter—who have attained the pinnacle in both war and diplomacy, your views carry great weight in both. As one who understands this country and knows American policies and aspirations at first hand, I know that you carry with you the same sense of purpose we feel: that every opportunity to overcome the diplomatic impasse must be seized upon in 1973 in a spirit of equity and with forward-looking determination to make concrete progress toward permanent peace in the Middle East.

President Nixon Welcomes Chinese Acrobatic Troupe

Following is an exchange of remarks between President Nixon and Chang Ying-wu, director of the Shenyang Acrobatic Troupe from the People's Republic of China, in the State Dining Room of the White House on January 12.

White House press release dated January 12

REMARKS BY PRESIDENT NIXON

Ladies and gentlemen: We are very happy to welcome you officially here in the White House and to thank you for the splendid achievement that you have made in your trip in the United States. This is the first group of performing artists to come from the Peo-

³ For text, see BULLETIN of Dec. 18, 1967, p. 843.

ple's Republic of China to the United States of America in a quarter of a century. And I am sure that all of those who have had the privilege of seeing you will say the first was the best.

I can say that based on the reports that I have had from Mrs. Nixon, who was there for the first night, and also from my daughter who was there on the third night.

You have, by coming such a great distance from your country to our country, brought us a very great gift. You have brought us the talent of great artists. But even more important, you have brought us a greater gift. My daughter reported how impressed she was by your talent in your performance at the Kennedy Center. She reported how the audience stood and applauded after most of the acts. But she reported that the greatest applause was at the conclusion, when you held up a sign saying, "Chinese-American Friendship."

And friendship is the most important gift that one group can bring to another. It is a tragedy of this century that for 20 years a great wall of hostility has separated the 800 million people of the People's Republic of China and the 200 million people of the United States of America.

As a result of the meetings that I was privileged to have with Chairman Mao and Premier Chou En-lai in Peking early in 1972, that wall of hostility is now coming down. And we only hope in the future that young Americans will have the opportunity to go to your country and that they will be as fine ambassadors of friendship as you have been ambassadors of friendship from the People's Republic of China to the United States of America.

Now, since you have brought us these great gifts, your talent and your friendship, we have a small token of appreciation for you to take with you as you return home. This is the seal of the President of the United States which each of you can have and which

will remind you of your visit to our country.

Now, Mrs. Nixon and I would like the privilege of greeting each of you personally to express our appreciation for your long journey, for your magnificent talent, but most of all for the friendship that you have brought to the American people.

REMARKS BY MR. CHANG ¹

Your Excellencies, Mr. President and Mrs. Nixon, ladies and gentlemen: On the eve of the conclusion of our tour in the United States, we have the opportunity to meet Mr. President and Mrs. Nixon here in the White House.

On behalf of the entire troupe, I would like to express my thanks to you all.

I thank you, Mr. President, for your warm speech, for your souvenir, and also for the letter autographed by you which was sent to us two days ago.

In coming to the United States on the performance tour, we have brought with us the friendship of the Chinese people for the American people, and during our stay here we have been given the warm hospitality and praises about our performances, and I believe through our current performance tour the understanding and friendship between the Chinese and the American peoples will be furthered and your kind hospitality and warm response from the audience have left deep impressions on us.

When we go back we shall carry with us the friendly sentiments of the American people toward the Chinese people at home, and I hope the friendship between the Chinese and American people will go further still on the basis of mutual understanding.

Once again, I would like to give my sincere thanks to Mr. President and Mrs. Nixon for your audience here.

Thank you.

¹ Mr. Chang spoke in Chinese.

United States Foreign Economic Policy: Where Are We?

Address by Sidney Weintraub

Deputy Assistant Secretary for International Finance and Development¹

There are some clichés relevant to my subject which are making the rounds these days:

The United States is no longer the overwhelmingly predominant economic power in the world; we now are only the first among equals. There are those who look at the world trading pattern and question whether we are first.

When we were predominant, we took actions in the interests of all, such as instituting the Marshall plan, encouraging the formation and strengthening of the European Common Market, accepting trade arrangements with countries such as Japan and Canada which were lopsided in their favor, and fostering development in less developed countries. Now that equality is the watchword, we have to be like other countries and give priority to our own interests.

International affairs increasingly are dominated by economics, and U.S. foreign policy must be guided by this essential fact.

Because of the changed structure of world affairs—namely, the greater economic strength of others, our need to look primarily to self-interest in the same way others do, the primacy of economics in world affairs—the institutions designed immediately after World War II, in another era, are outmoded.

There is some truth in all the foregoing. Other countries are economically stronger than they were; some countries have not always behaved in the most cooperative manner in world economic affairs; our economy

underpins our political and security strength; the International Monetary Fund (IMF) and the General Agreement on Tariffs and Trade (GATT), to name two key institutions, do need modification.

There is also oversimplification in the clichés cited. Much of the cause for our balance of payments difficulties is not that others behaved iniquitously, but rather that we were careless in handling our domestic economy. Economics always mattered in world affairs, and one need only examine U.S. history to see this. The IMF and the GATT do need changing, but they also were changed in the past, for example, by the institution of special drawing rights (SDR's); the coming changes will have to be substantial, but not because everything that went before was bad. Countries must always look to their self-interest; if they do not, others are unlikely to do so. We think we did so in an enlightened way in the past; I trust we will try to do so again in the future.

Hamilton Fish Armstrong, in an article in the 50th-anniversary issue of *Foreign Affairs* last October, referred to the need for "a resolute attempt at complication" since policymaking based on a simplified version of perceived facts will be inadequate. Daniel Patrick Moynihan had earlier referred to the need to "complexify." I, too, want to get away from the simplistic version of the United States as a country full of people wearing white hats facing all those nefarious black-hatted foreigners. The real world is an intermixture of pursuing self-interest in a context of hard bargaining, of confrontation

¹ Made before the World Affairs Forum at Washington on Jan. 4.

among countries at times, of the establishment of rules of behavior and on occasion stretching them by all parties, and of the need to find modes of cooperation lest we are all impoverished by "beggar thy neighbor" practices. This is a far closer approximation of reality than simplistic cliches.

Let me see if I can approach reality in about 20 minutes by dealing with the present state of U.S. policy in the trade field, international monetary affairs, foreign direct investment issues, and relations with less developed countries. I will not try to deal with such critical areas as energy, transportation, communications, and others. I separate the four issues I will cover for the sake of convenience and manageability, just as most complicated matters must be broken into treatable parts. In the real world, they are of course interrelated.

Major Issues in Trade Policy

There are several important factual points in the trade field that might first be made.

Our trade account has deteriorated over the past decade, to such an extent that in 1971 we ran a deficit for the first time in this century, and the deficit grew to substantial proportions of more than \$6 billion in 1972. The high-water mark of the U.S. trade surplus was in 1964. Since then our exports have grown by 7½ percent a year, but our imports on a c.i.f. [cost, insurance, and freight] basis have grown by 13 percent a year. For all industrial countries, just to give you a comparison, exports f.o.b. [free on board] grew from 1964 to 1971 by 11½ percent a year and imports c.i.f. also by 11½ percent. For Japan, to pick a country with an extraordinary record, the import growth figure was 8¾ percent a year and the export growth figure 20 percent.

By August 1971, when convertibility of the dollar into gold and other reserve assets was suspended, the dollar clearly was overvalued.

Tariffs on industrial goods are no longer high on the average in most developed countries, but neither are they necessarily negligible in many cases. As a consequence

of lower tariffs, the trade-restrictive effect of nontariff barriers has become more self-evident.

In certain areas, such as in agriculture, trade restrictions impinge greatly on sectors in which the comparative advantage of the United States is substantial.

Because of various preferential arrangements, particularly within Europe and between Europe and an increasing number of less developed countries, the proportion of world trade moving under conditions of most-favored-nation treatment has diminished.

Finally, in the explosive expansion of world trade which has occurred since the end of World War II, the less developed countries as a group have fared less well than the developed countries.

I have tried just now to stick to facts, selective ones of course, but I think not an unfair selection. But policy must deal not only with facts but also with interpretation of facts. Let me now give some interpretations which relate to the facts just cited.

The dollar was overvalued in part because others in deficit found it easier—not easy, but easier—to devalue their currencies than surplus countries generally found it to revalue upward. Many countries were content to build up their reserves, many were content with export-led economic growth and with the employment-creating effects of exports, and this contentment created a disposition for many developed countries to prefer currency undervaluation to overvaluation. The dollar was overvalued, and our trade account moved from surplus to deficit, also because of our own failure to control inflation, for example, by our unwillingness to finance the Viet-Nam war buildup in the latter part of the 1960's through increased taxation. Our trade deficit, consequently, was not necessarily only the result of unfair actions by others, but also in part of profligacy on our part.

Nontariff barriers are often the result not of a desire by countries to restrict trade, although this may be their effect, but rather of their wish to deal with difficult domestic problems. Our price support programs in

agriculture restrict trade, but at their core are domestic social and political goals. The European price support programs in agriculture restrict trade even more, but at their core are domestic social and political goals.

We have a "buy American" preference for government procurement, with a general preference of 6 percent and a higher preference for procurement in domestic areas of substantial unemployment and even greater preferences at times for defense procurement, for a variety of reasons—to promote domestic industry, domestic employment, and domestic defense industries. The Europeans and Japanese and Canadians direct government procurement to domestic industries for much the same reasons.

The less developed countries have not done as well as developed countries in the growth of trade, due in part to their own policies, such as by having overvalued exchange rates and fostering inefficiency by excessive import protection. In addition, prices have risen more for the goods they must import, usually manufactured goods, than for those they frequently export, such as basic commodities. Finally, developed country tariffs and nontariff barriers impinge greatly on the labor-intensive goods less developed countries have to export.

I moved from fact to interpretation; I would now like to touch briefly on policy prescription, which I hope flows logically from what I have just stated and which is the subject of my talk.

We are trying domestically to deal with inflation by responsible fiscal policy, by monetary policy consistent with our growth potential, by a program of wage and price controls, and in general by destroying the inflationary mentality.

In the field of foreign affairs, we have tried to deal with dollar overvaluation by the exchange rate realignment reached in December 1971 at the Smithsonian Institution and to deal with this on a more systematic basis in the monetary reform negotiations now in progress in the IMF.

Tariff and nontariff barriers to trade will not be reduced much by exhortation, but they

might be by reciprocally beneficial negotiation. We hope to begin such negotiation in September 1973. For U.S. participation in this negotiation to be credible, Congress must authorize the President to implement the tariff changes that may be agreed to. Hence the administration is considering submitting the legislation it will need to accomplish this.

Since restrictions in agricultural trade stem from domestic social and political programs, we must look at these domestic programs in order to get at the root problem.

Since preferential trade is growing, one way to attack this is by dealing with the key instrument for the preference, namely, the tariff, since as tariffs are lowered among industrial countries, so will the tariff preferences be lowered.

Imports sometimes cause hardship to domestic workers, and as one moves to freer trade, there also is a need to devise safeguards to minimize hardships.

Currently in the trade policy field, therefore, we are examining the bases for legislative action and otherwise getting ourselves ready to negotiate tariff reductions and reductions of nontariff barriers, to free up trade in agriculture, to assure that the less developed countries get a reasonable opportunity to benefit fully from these negotiations, and to do all this in a way that provides reasonable benefits and safeguards for the American worker. It has taken less than a minute to state this most complicated policy prescription, but one should expect a busy year ahead in the trade field and many busy and arduous years after that in the negotiating process.

One cliché may not be bad in the trade policy field. We are on the threshold of dealing seriously with major issues which will affect, beneficially we think, American consumers, workers, farmers, employers, and American foreign policy and worldwide interests as a whole.

Policy Agenda in Monetary Affairs

August 15, 1971, was a watershed date. We formally recognized then that the United

States and the dollar would not thereafter play the same role in the functioning of the international monetary system that they had previously. A process of negotiation for monetary reform was set in motion, and this now is underway in a body known as the Committee of 20, under the auspices of the IMF.

The working of the international monetary system is not a topic of everyday familiarity for most people. It is a subject that sounds complex and in point of fact is, in various respects. Let me try, however, to distill a few of the key points involved. I will again start with a few facts.

The United States on August 15, 1971, formally suspended convertibility into gold and other reserve assets of dollars held by foreign central banks. This was our signal that changes were needed. In point of fact, we lacked the reserve assets to meet all comers if they had wanted to convert their dollars. Right now, for example, foreign central banks hold 50.7 billion of dollars in their reserves, and our total reserves are \$13.2 billion.

The IMF system worked from 1946 to 1971 in part because our deficits provided the bulk of reserve increases of others. World reserves increased from 1946 to 1971 from \$41.5 billion to \$132.1 billion, and 48 percent of the increase was in dollars.

Another way of looking at this is that in 1946 the United States held 48 percent of world reserves (and 61 percent of official gold holdings). By the end of 1971 this figure had dropped to less than 10 percent.

For various reasons of national pride and domestic politics, countries have been reluctant to alter exchange rates even when necessary, and when they finally have been forced to do so, the changes have tended to be large and hence disruptive.

Because of the role of the dollar as a currency held by others in their reserves and to buy and sell to maintain the value of their own currencies in exchange markets, and also because of the importance of the United States in the world economy, it was harder

to devalue the dollar than to devalue other currencies.

The significance of the foregoing points can be stated briefly. Rather than a system which adjusted smoothly when currencies were in disequilibrium, we had a system which adjusted by fits and starts. By resisting necessary exchange rate changes, countries encouraged speculative money flows out of weak currencies into strong ones. When changes were made, they were large.

Even worse, adjustments frequently were not made, since surplus countries felt no great pain in accumulating more reserves. The world's distribution of reserves became skewed. Reserve creation itself became largely a function of continued U.S. deficits, and indeed the system tended to rely on our deficits until the SDR system was created a few years ago.

It is worth keeping in mind that money is a means to buy goods and services and that a key purpose of the world's monetary system is to facilitate the flow of goods and services among countries. Reserves are intended to tide countries over difficult periods, and they cannot do this effectively if they are not distributed according to need.

Based on the few facts and interpretations I have given, what then is the policy which flows from these?

Most important, we are looking for techniques to make adjustment of disequilibria smoother and prompter. When an exchange rate needs changing, it should be done more quickly and in smaller steps. As one economist phrased it, when exchange rate changes, because they are small and not uncommon, become routine stories on the financial pages of the New York Times rather than headlines on page one, we will have made some progress.

We are seeking techniques to facilitate prompt adjustment by surplus countries, who normally are under less pressure to adjust than deficit countries.

We have suggested using a changing level of reserves to signal a need for adjustment by both deficit and surplus countries. By adjustment I refer to some combination of

measures, which could involve the exchange rate, domestic monetary or fiscal policy, and trade liberalization, to correct a disequilibrium. Using reserves to signal a need for adjustment also requires giving some attention to the appropriate distribution of reserves among countries.

We have suggested making collective world decisions on reserve creation, essentially using SDR's rather than leaving this mainly to the vagaries of gold production or U.S. balance of payments deficits. If disequilibria are corrected more rapidly, excessive deficits and surpluses might be shorter lived.

We have suggested that the United States needs the ability to control the exchange rate for the dollar in a manner comparable to other countries' control of the exchange rate for their currencies.

We have stated our willingness to return to convertibility when circumstances warrant; that is, when we have the reserve assets to do so and when the system promotes more rapid and smoother adjustment.

The negotiating issues involved in this policy agenda are difficult ones. They affect trade positions, employment, income. They bring into play national differences in perceived self-interest and hence will require substantial discussion, education, and compromise. Changing exchange rates more rapidly than in the past involves a behavioral change, and this is not easy to effect. Many countries still tend to be mercantilistic in the way they look at trade deficits and surpluses, and this attitude may need to be modified to some extent. Various nontariff barriers insulate trade from exchange rate changes—for example, if a government directs that procurement be made from a domestic firm, the pattern of exchange rates and international competition both lose relevance—and this needs airing in both the trade and monetary negotiations.

I noted a valid cliché in the trade field: that we are on the threshold of dealing seriously with various major issues which will affect most Americans. The same is true in the interrelated monetary field.

Direct Private Investment Abroad

The most dynamic aspect of economic interchange in the modern world is capital movements. Almost all of us are familiar with the massive shifts of short-term capital resulting from interest rate differentials among countries and the desire to flee from weak and to strong currencies. Billions of dollars can shift among countries in hours if conditions are propitious. These movements are a sign of interdependence and a result of general convertibility; they can also be troublesome to monetary authorities.

They also are a sign of the multinational nature of business, particularly of our largest companies and of banking.

U.S. direct private investment abroad has been growing rapidly. Its book value at the end of 1971 was \$86 billion, and its recent growth has been between 7 and 8 percent a year.

Investment abroad by U.S. multinational corporations is a theme replete with controversy. Receipts from investment income are a strong plus in our balance of payments. There is considerable evidence that U.S. investment abroad generally stimulates U.S. exports. On the other hand, labor is concerned that investment abroad often is motivated by a search for lower wage costs and that such investment, as a consequence, results in a loss of jobs in the United States. Labor also has argued that our tax laws actually encourage investment to move abroad.

Abroad, various industrial countries, such as Canada and Australia, are concerned about excessive foreign domination of key sectors of their economies. They are particularly uptight about takeovers of existing firms. The sovereignty issue is even more sharp in less developed countries, and there have been a number of recent cases of expropriation of foreign firms, particularly in mining and public utilities.

I have touched on a few themes, which time will not permit me now to elaborate. However, to revert to the subject of my speech, where we are on policy formation is a mixed bag.

Thus, we do continue to encourage investment in less developed countries that want it, but we argue that neutrality is the best policy as it relates to private direct investment in industrial countries. We maintain controls on the export of capital, but we would like to get rid of these controls as conditions permit. We recognize the right of expropriation, even if we do not normally find it wise, but insist on just compensation. We are sensitive to the sovereignty issue often cited by others, but we are not sure this can be dealt with efficiently other than by sensitivity on the part of investing companies. We have examined the possibility of international codes for mitigating investment problems but are not sure these can usefully be negotiated now. We know many facts about U.S. investment abroad but far less about the worldwide investment of others.

In sum, we have some idea of the problems but not as much as we would like about the answers. Policy, to use another cliché, is under examination, by us, by labor, by business, by other countries.

The Less Developed Countries

Another area where the issues are in search of a coherent policy is the less developed countries.

We have recognized that there is a variety of difficult problems that less developed countries must overcome in their own development effort. These relate to their domestic savings ratios and capital-mobilization efforts, income distribution, employment, urban-rural matters, population, agricultural production, education, attaining a modicum of political tranquillity, and the like.

Similarly, I think we have recognized that the balance of payments problems faced by many less developed countries can be approached via aid, either loans or grants, via opening export opportunities, providing credit, obtaining foreign private investment, and various permutations of these. In a sense, it is this aspect of the issue that is the rub, in that we have not really reached any consensus about the desirable mix of these policies, at least for the United States.

I believe we accept our responsibility as a

nation to do our share, together with other industrial countries, to assist the less developed countries. I can use figures in this field to prove many things. For example, the total flow of resources from the United States to the less developed countries in 1971 was 0.69 percent of our gross national product, ranking us 14th out of the 16 members of the Development Assistance Committee of the Organization for Economic Cooperation and Development. Looking only at official development assistance, this was 0.32 percent of our GNP in 1971, which put us 12th out of 16. However, to look at this from another vantage point, 43 percent of all official development assistance in 1971 came from the United States. We tend to take more imports, including of manufactured goods, from less developed countries than do other industrial countries.

I am not trying to prove that our record vis-a-vis the less developed countries is either good or bad compared with the performance of other industrial countries. Rather, I would like to emphasize the following interrelated points:

We have learned much about development in the last several decades—what is involved for the less developed countries and what is involved for the industrial countries.

We have to “complexify” in this field. We have to look at all our policies and what their impact will be on us and on the less developed countries; we have to look at the mix among these policies. And to date, we have not done so adequately.

I have tried both to clarify issues and to avoid oversimplification. In the process, I can only have been too simple by trying to deal with four major themes in too short a period of time.

However, I chose these themes, despite the inherent inconsistency of complicating and simplifying at the same time, because they are an important part of the international economic agenda at this moment of history. How we and the world resolve the policy issues involved will have an important effect on the developments of the coming decade. How we resolve them will also affect most of you.

European Community Eliminates Retaliatory Tariffs Against U.S.

Office of the Special Representative for Trade Negotiations
press release 174 dated January 3

Ambassador William D. Eberle, the Special Representative for Trade Negotiations, announced on January 3 that the European Community had eliminated the remainder of its retaliatory tariffs against the United States for the U.S. actions in 1962 raising tariffs on sheet glass and Wilton and velvet carpets. The EC action lowers the duty on U.S. exports to the EC of: polyethylene from 32 percent to 16 percent, woven fabrics of continuous synthetic fibers from 35 percent to 13 percent, and woven fabrics of artificial fibers from 30 percent to 15 percent.

The EC action, effective January 1, grants the United States the same treatment now accorded other countries entitled to most-favored-nation tariff rates on those products.

The removal of the retaliation against the U.S. products named above coincides with the expiration of the U.S. escape-clause action on Wilton and velvet carpets on December 31, 1972, when the U.S. import duty was reduced from 40 to 21 percent. In 1971 the President had proclaimed a three-stage phaseout of the remainder of the escape-clause rates on sheet glass. The first stage became effective on May 1, 1972. The second is to take place on January 31, 1973, and the third is scheduled for January 31, 1974, after which the trade agreement rates will apply.

The EC retaliation, which originally applied to five product classes, began in June 1962 after the United States had raised tariffs on Wilton and velvet rugs and carpets and 24 tariff rates on sheet glass in escape-clause actions. About \$30-\$33 million in trade in each direction was affected. In January 1967 the United States eliminated escape-clause rates on 18 sheet glass items and reduced the escape-clause rates on six others. The European Community subsequently eliminated its retaliation on varnishes and polystyrene and reduced the retaliation rate on fabrics of synthetic fibers from 40 to 35 percent. In January 1970 the United States

removed carpets of oriental design from escape-clause protection and the European Community reduced the retaliation against polyethylene from 40 to 32 percent and against fabrics of artificial fibers from 40 to 30 percent.

U.S. Reserves Right To Renegotiate Trade Concessions Under GATT

Following is an announcement issued by the Office of the Special Representative for Trade Negotiations on December 29.

Office of the Special Representative for Trade Negotiations
press release 173 dated December 29

The United States has notified the Contracting Parties to the General Agreement on Tariffs and Trade (GATT) that, in accordance with the provisions of paragraph 5 of article XXVIII of that agreement, it reserves the right for the duration of the three-year period commencing on January 1, 1973, to modify its schedule (schedule XX) of concessions in accordance with the procedures of paragraphs 1 to 3 of article XXVIII. Those paragraphs set forth the procedures to be followed in modifying or withdrawing tariff concessions as well as the rights of countries having a negotiating or trade interest in the items being modified or withdrawn.

A number of other contracting parties, including the European Community, have already reserved this right for that three-year period.

The U.S. notification is a technical step which will enable the United States, should it decide to do so at any time during the next three years, to renegotiate particular items in its present schedule of GATT concessions. No decision has been made to exercise this right; reservation of the option to do so is intended to give the United States more flexibility to negotiate in the framework of GATT such changes in U.S. commitments as may seem desirable in the light of developments in the next three years.

A background paper on GATT article XXVIII follows.

Background on GATT Article XXVIII

Article XXVIII is a general provision of GATT intended to permit member countries every three years to alter the composition of tariff concessions granted by them in previous negotiations. In these "renegotiations" a country raising tariffs on items subject to concessions is expected to lower tariffs on other items to preserve the overall balance of concessions in its GATT schedule.

While it is possible to "renegotiate" individual concessions during a three-year "firm life" period, this normally requires specific authorization by formal GATT decision.

Sometimes a country has reason to believe that it may want to renegotiate some concessions during a forthcoming three-year firm-life period but is not sure that it will in fact elect to do so or what the scope of any such future action might be. In such a case the country may, pursuant to paragraph 5 of article XXVIII, reserve its right to renegotiate any concessions in its schedule at any time during the forthcoming three-year period. Notification to this effect must be submitted before the firm-life period begins. If a country invokes paragraph 5 of article XXVIII, all other GATT countries automatically have the right to renegotiate any concessions in their schedules which were initially negotiated with the invoking country.

A new three-year firm-life period begins on January 1, 1973. As this date approached, notifications of intention to invoke paragraph 5 of article XXVIII had been submitted by Australia, Austria, Denmark, the European Community, Finland, India, Israel, New Zealand, South Africa, and the United States. These notifications do not necessarily

mean that extensive renegotiations—or indeed any renegotiations at all—will actually take place. The notifying countries have simply reserved the right to undertake such renegotiation with affected countries if they should wish to do so during the next three years.

Offshore Procurement Authorized of Rice for Laos and Cambodia

PRESIDENTIAL DETERMINATION No. 73-8¹

DETERMINATION AND AUTHORIZATION FOR OFFSHORE
PROCUREMENT OF RICE FOR LAOS AND CAMBODIA

**Memorandum for the Honorable John A. Hannah,
Administrator, Agency for International Development**

THE WHITE HOUSE,
Washington, December 5, 1972.

In accordance with the recommendations in your memorandum of October 30, 1972, I hereby:

A. Determine, pursuant to Section 614(a) of the Foreign Assistance Act of 1961, as amended (22 U.S.C. 2364), that the use of up to \$21 million of funds available in FY 1973 for the procurement of rice from outside the United States, for Laos and Cambodia, without regard to the requirement of Section 604(e) of the Act, is important to the security of the United States; and

B. Authorize, pursuant to Section 614(a) of the Act, such use of up to \$21 million of funds for the procurement of rice, from outside of the United States, for Laos and Cambodia, without regard to the requirements of Section 604(e) of the Act.

This determination shall be published in the FEDERAL REGISTER pursuant to Section 654 of the Act.



¹ 37 Fed. Reg. 26573.

Mr. Williams Reports to President on Managua Earthquake Relief

Maurice J. Williams, Deputy Administrator of the Agency for International Development, who visited Managua, Nicaragua, December 30–January 6 as the President's Special Coordinator for Emergency Relief to Nicaragua, reported to President Nixon on January 9. Following is the text of a memorandum dated January 8 from Mr. Williams to the President, together with its attached table showing total relief assistance as of January 8.

TEXT OF MEMORANDUM

JANUARY 8, 1973.

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Special Report on Emergency Relief for the Managua Disaster

Just after midnight on December 23 an earthquake registering 6.5 on the Richter scale struck the city of Managua, Nicaragua. In less than 30 seconds, some 36 blocks in the heart of the nation's capital—or half of the total city—were practically leveled. Except for a few damaged buildings still standing, what the initial and after shocks left were 1,200 square acres of rubble in the geometrically exact center of the capital.

We will never know how many died or even how many were injured in the earthquake; estimates of the number killed range between 4,000 and 12,000 and some 20,000 more injured. We do know, however, that the other losses were staggering. Not only was the basic infrastructure of a modern city—electricity, communications, water supply and transport—immediately knocked out, but 50,000 homes were totally destroyed and thousands more made uninhabitable, forcing the survivors into the streets to fend for themselves.

The gigantic dimensions of what was lost

soon began to emerge. Gone was all of the physical plant of the national government; half the public schools in the city; all of its hospitals and practically all of the commercial services, markets and commodity stocks upon which an urban society depends. A preliminary estimate places the immediate losses at over \$600 million. Additionally, almost half of the nation's GNP has been disrupted, more than half of the government's sources of revenue has been lost, and 25 percent of the population is now without the means to sustain even the minimum necessities of life. The Government of Nicaragua is faced with these overwhelming needs of its people at a time when basic institutions and services are badly disrupted and when the budgetary resources at its disposal are greatly diminished.

At your direction, I conferred with government leaders in Nicaragua to determine what more could be done to help cope with immediate problems and to assure the adequacy and effectiveness of our help for a sister American republic in its time of tragic need. Nicaragua's leaders are responding to the emergency, with courage and a sense of national purpose. A National Committee for the Emergency, bringing together all groups, has been constituted under the able leadership of General Anastasio Somoza. Similar local committees are cooperating throughout the country and services gradually are being established in an orderly way to help the quarter of the population in dire need. It is an immense undertaking for a country the size of Nicaragua and it has just begun.

The immediate problems have been to reestablish medical services, to assure the distribution of water and food, and to provide at least temporary shelter for the hundreds of thousands of victims who fled

from Managua. Our help in each of these areas has provided the critical margin which made it possible to prevent even greater suffering, and probably disorder. American relief made it possible for Nicaragua's people to meet their most urgent needs and to face the awesome tasks ahead with renewed hope.

Action to meet the immediate problems is well underway.

At your direction, I supervised the organization of a mass feeding program to assure food for the hungry throughout the country. An estimated 350,000 people fled the city after the quake to find food and shelter with friends and relatives in the outlying areas of Managua and in other towns and cities across the country. The problem is complicated by a severe drought during this past crop season which adversely affects the availability of food both for the earthquake victims and many other people as well. The distribution of water to the survivors in Managua was also immediately essential. The distribution system we devised with the full cooperation of the Government is working throughout the Republic. There were early problems, but I am satisfied that the distribution of both food and water is now adequate and that the distribution system will continue to function well until it is no longer needed.

Nicaragua will need food assistance for the next ten months until the harvest in September 1973. We have provided some 20 million pounds of food, both delivered and underway, valued at \$3 million. More will be needed—both from U.S. and from others as well.

With respect to the shelter problem, we have sent to Nicaragua 4,000 tents; enough to shelter 25,000 people. But there is need for more and better temporary shelters. Working jointly with the Nicaraguan Government, we devised an emergency shelter program for immediate construction of 15,000 individual wood and metal structures to house an additional 75,000 refugees and to permit essential workers to return to Managua. We authorized \$3 million in A.I.D.

funds for this purpose. Our prompt action to launch this emergency construction, which should be completed in the next 30 days, was a source of great encouragement to the government and people.

In the field of emergency health measures, we have taken steps which have brought the situation under control, including the donation of two U.S. army field hospitals which were brought in the day after the tragedy; the two facilities, which total 124 beds plus all related equipment to operate a modern hospital, are now fully staffed by Nicaraguan doctors and nurses—and are providing basic medical services for the city of Managua.

These measures taken jointly with General Somoza and his emergency committee mean that they have turned the corner on the most critical needs of medical assistance, food and water, and, finally, in the coming weeks, shelter.

We have committed \$10.6 million to date for emergency relief. It constitutes a critical contribution to people who have long been friendly and who found themselves in the most urgent need of their history. There will be additional emergency help needed from us over the next 10 months, but it will be insignificant compared with the efforts that will be required of the Nicaraguan nation.

In particular, emergency measures are needed to help replace at least part of the \$50 million equivalent lost to the Government in tax revenues because of the disruption of the economy and commercial activity in Managua. General Somoza is most anxious to launch public works programs to begin rebuilding and provide jobs for the over 52,000 who lost their means of livelihood. We have agreed to help the Government design works projects to provide for emergency employment for displaced workers. A.I.D. is fielding a senior, experienced team to assist in this effort.

Reconstruction itself poses a number of difficult problems, since it is being considered whether or not the city should be rebuilt along different lines and with some relocation

to lessen danger from the possibility of further earthquakes. A team of U.S. geologists and other experts are in Nicaragua working on studies which will provide the technical basis for this decision. Further, there is need to coordinate with other aid donors to redirect assistance projects underway to meet the current needs and to assess plans for reconstruction. Resolution of these problems will take time—but the situation in Nicaragua today is urgent and does not permit the luxury of the normal procedures of international consultation and attendant delays.

We are pressing for early action on assessments, both technical and economic, which will permit the Government of Nicaragua to plan its programs of reconstruction and provide the basis for assistance in this task from the U.S. and other aid donors. We anticipate that the Organization of American States, the Inter-American Development Bank and the IBRD [International Bank for Reconstruction and Development] will play important parts in the overall effort.

While issues of reconstruction are for future decision, you may be interested in my judgment as to the overall quality of the American aid effort of the past two weeks. It is a pleasure to report that the performance of Ambassador Turner B. Shelton and his staff during the recovery was outstanding, even heroic. Tumbled from their beds in the first shocks, lacking light and with only very rudimentary communication, they were able to respond to the welfare and evacuation of Americans and non-essential personnel, and, at the same time, to begin to help meet the emergency needs of the Nicaraguans.

While many other nations and groups responded swiftly with mercy flights and personnel, the American contribution was critical in averting a compounding of the crisis. It was largely U.S. Army personnel who organized the first emergency help and set up the first medical facilities. U.S. Army sanitation experts brought in water purification equipment when no pure water was available over a period of days, and after arranging

emergency distribution they saw to the repair of the municipal supply system and the partial restoration of service. Power and communications are being restored quickly both within the city and with the outside world in large part because American experts who knew how to do it were rushed in. It was largely the officers at our Mission, operating out of tents and the Ambassador's residence because the Embassy itself was destroyed, who helped to organize the first crude feeding programs and the provision of emergency shelter.

In particular, Ambassador Shelton is deserving of special commendation. Throughout the emergency he performed with exceptional skill and courage a task that would test great generals. Nicaragua and we are fortunate that he was there when the challenge came.

MAURICE J. WILLIAMS
*President's Special Coordinator for
Emergency Relief to Nicaragua*

Attachment: Total relief assistance to date.

TEXT OF ATTACHMENT TO MEMORANDUM

MANAGUA EARTHQUAKE
DISASTER RELIEF ASSISTANCE (PRELIMINARY DATA)

I. U.S. Government Commitments

Military Supplies &	
Equipment	\$2,137,355
Military Airlift	722,773
AID Emergency Housing	3,000,000
AID Procured Supplies	937,301
Commercial Transport	325,000
U.S. Contributions to OAS	25,000
Ongoing Cost Not Yet	
Reported	500,000
Food for Peace	2,994,000
TOTAL U.S. GOVERNMENT	\$10,641,429

II. U.S. Voluntary Agencies Contributions

Catholic Relief Services	\$346,000
Church World Services	19,500
American Red Cross	251,440
Salvation Army	20,000
Seventh Day Adventists	29,750
Wisconsin Partners	
of the Americas	90,000
CARE	20,000
TOTAL U.S. VOLUNTARY AGENCIES	\$ 776,690

III. *International Agencies & Other Nations*

Thirty one nations contributing through National		
Red Cross Societies	\$1,715,840	
United Nations	120,000	
Japan	400,000	
Australia	29,000	
France	250,000	
Republic of China (Taiwan)	256,000	
United Kingdom	46,000	
OAS	225,000	
TOTAL INTERNATIONAL AGENCIES & OTHER NATIONS		\$ 3,041,840
GRAND TOTAL ALL CONTRIBUTIONS		\$14,459,959

U.S.-Columbia Treaty on Quita Sueno Transmitted to the Senate

Message From President Nixon¹

To the Senate of the United States:

I am transmitting for the Senate's advice and consent to ratification the Treaty between the Government of the United States of America and the Government of the Republic of Colombia, concerning the Status of Quita Sueno, Roncador and Serrana, signed at Bogota on September 8, 1972.

Under the Treaty the United States renounces all claims to sovereignty over three uninhabited outcroppings of coral reefs in the Caribbean—Quita Sueno, Roncador and Serrana.

The Treaty assures that the fishing rights of each Government's nationals and vessels in the waters adjacent to Quita Sueno will be free from interference by the other Government or by its nationals or vessels. Colombia also agrees to guarantee to United States nationals and vessels a continuation of fishing in the waters adjacent to Roncador and Serrana, subject to reasonable conservation measures applied on a nondiscriminatory basis.

¹ Transmitted on Jan. 9 (White House press release); also printed as S. Ex. A, 93d Cong., 1st sess., which includes the report of the Department of State and the text of the treaty.

The express purpose of the Treaty is to settle long-standing questions concerning the status of the three reefs, which are located between 380 and 460 miles from the Colombian mainland. In the late nineteenth century, the United States claimed them under the terms of the Guano Islands Act of 1856, following their discovery by an American citizen in 1869. In 1890 Colombia protested the extraction by United States nationals of guano from these reefs, claiming that Colombia had inherited sovereign title to them from Spain. In 1928 the United States and Colombia recognized the existence of their dual claims and agreed to maintain a status quo situation which has existed to the present day.

Negotiation of the Treaty signed last September was a response to Colombia's desire to enhance its claim to sovereignty. The primary interest of the United States in the area is to protect the right of American nationals and vessels to continue fishing there. Another United States interest is the continued maintenance of navigational aids on the three reefs.

The Treaty meets the practical interests of both countries. It will satisfy the long-standing desire of the Colombian people that their claim to sovereignty not be encumbered by a conflicting claim by the United States. It will protect United States interests in maintaining fishing rights in the area and, through a related arrangement, will provide for maintenance by Colombia of the navigational aids there in accordance with international regulations. The enclosed report of the Department of State more fully describes the provisions of the Treaty and its related arrangements.

This Treaty demonstrates once again the desire and willingness of the United States to settle, in a spirit of understanding and good will, differences which may exist in our relations with other countries particularly with our Latin American neighbors. I urge that the Senate act favorably on the Treaty in the near future.

RICHARD NIXON.

THE WHITE HOUSE, *January 9, 1973.*

U.S. and Canada Clarify Agreement on Telecommunications Satellites

Following are texts of letters exchanged by Bertram W. Rein, Deputy Assistant Secretary for Transportation and Communications, with K. B. Williamson, Minister of the Embassy of Canada at Washington, and F. G. Nixon, Administrator, Telecommunications Management Bureau, Canadian Department of Communications, setting forth steps to be followed in the event Telesat Canada institutes international service.

CANADIAN LETTER OF NOVEMBER 6

NOVEMBER 6, 1972.

DEAR MR. REIN, This will confirm our informal advice to the State Department last May, to the effect that Telesat Canada is taking steps to have its objects amended. The draft amendment, as approved by Telesat Canada, is set forth in the attached annex.

The Corporation has instituted this action since it has perceived the possible application of satellite communications technology to national resource developments such as the proposed Mackenzie Valley gas pipeline which, when realized, would undoubtedly have communications requirements largely within Canada, but also to certain nearby points in the United States. More recently, as you are aware, several U.S.A. domestic satellite communications system applicants have expressed an interest in the short term use of Telesat facilities for service between points in the United States.

It is Telesat Canada's intention, if and when their objects are so amended, that the services provided to and between points outside Canada would be incidental and peripheral to the main Canadian domestic service of the Corporation. It is, of course, recognized that any service involving points within the United States would require the approval of your Government. Insofar as service between U.S.A. points is concerned, it is also recognized that it would normally be agreed to only when there existed an insufficiency of U.S.A. domestic facilities. These principles are endorsed by the Minister of Communications and the Secretary of State for External Affairs who assume that you would agree to the application of the same principles in a reciprocal situation when your domestic satellite systems are in operation.

We should also say that Telesat Canada's operation, and this is particularly significant if it involves international public telecommunication services, will be consistent with Canada's obligations under the

Intelsat Agreement, expected to come into force shortly.

As you know the Telesat Canada Act requires that the amending letters patent, issued for the purpose of extending the objects of the Corporation, be laid before Parliament. They become effective if after thirty sitting days they have not been annulled by a resolution of either House. The amending letters patent have not yet been laid before Parliament which means that the proposed extension of Telesat's objects cannot become effective before late December at the earliest.¹

Inasmuch as our 1969 understanding on the provision of the forthcoming series of launch services for the Telesat satellites is based on the system being used for Canadian domestic telecommunications services and although these will still be the only services Telesat Canada will be empowered to provide at the time of the first launch on November 9, we would appreciate receiving your comments on the foregoing intention.

Yours sincerely,

K. B. WILLIAMSON, *Minister.*

F. G. NIXON, *Administrator,
Telecommunications Management Bureau,
Department of Communications.*

MR. BERTRAM W. REIN,
*Deputy Assistant Secretary for Transportation &
Telecommunications, Department of State, Wash-
ington, D.C.*

PROPOSED AMENDMENTS TO TELESAT CANADA ACT

(i) Delete from subsection (1) of section 5 which reads:

"The objects of the company are to establish satellite telecommunication systems providing, on a commercial basis, telecommunication services between locations in Canada."

and substitute therefor the following:

"The objects of the company are to establish satellite telecommunication systems providing on a commercial basis, telecommunication services

(a) between locations in Canada; and

(b) subject to the appropriate intergovernmental arrangements to and between other locations."

(ii) Delete from paragraph (c) of subsection (1) of section 6 thereof the words "between locations in Canada" so that the said paragraph (c) is to read:

"the power to enter into contracts on such terms and conditions as it considers reasonable for the provision of telecommunication services by satellite."

(iii) Delete from paragraph (d) of subsection (1) of section 6 which reads:

"the power to conduct research and developmental

¹ The letters patent were laid before Parliament on Jan. 5.

work in all matters relating to telecommunication by satellite;"

and substitute therefor the following:

"the power to conduct research and developmental work and to provide managerial, engineering and other services in all matters relating to telecommunication by satellite and satellite systems;"

U.S. LETTER OF NOVEMBER 7

NOVEMBER 7, 1972.

Honorable KENNETH B. WILLIAMSON,
Minister, Embassy of Canada,
1746 Massachusetts Avenue, N.W.,
Washington, D.C.

DEAR MR. MINISTER: This is in response to your letter of November 6, 1972, jointly signed by Mr. F. G. Nixon, confirming your earlier informal advice to the Department of State that TELESAT Canada is taking steps to have its objects amended and asking for our comments on this intention.

As you have noted, the United States commitment to provide launch services was for a domestic Canadian satellite system, and, indeed, we understand the TELESAT Act does not now authorize TELESAT to provide other than Canadian domestic telecommunication service. You advise it is now intended that the objects of the Corporation under the TELESAT Act be amended to include authority to handle international traffic as well as the domestic traffic of other countries. Although the proposed statutory language is quite broad, you have indicated it is intended that the satellites to be launched by the United States would be used only to provide telecommunication service to and between locations outside Canada which was incidental and peripheral to the main Canadian domestic service of the Corporation and would be consistent with Canada's obligations under the INTELSAT Agreement. In any event, any provision of other than Canadian domestic telecommunication service would, as required by Subsection (1)(b) of Section 5 of the TELESAT Canada Act as proposed in the draft amendment, be provided "subject to the appropriate intergovernmental arrangements".

Under these circumstances, we believe that the launch service to be furnished by the United States must be premised on your adherence to the following condition. Prior to the institution of any international public telecommunications service utilizing satellites launched pursuant to the 1969 understanding, the Canadian authorities will submit the proposal to the INTELSAT Assembly of Parties in accordance with paragraph (d) of Article XIV of the INTELSAT definitive agreements. Such service shall not be inaugurated unless:

(a) The proposal receives a favorable recom-

mendation in the INTELSAT Assembly (for these purposes a favorable recommendation requires a two-thirds favorable vote); or

(b) The proposal is supported by the USG [U.S. Government], and the Canadian authorities, in the absence of a favorable recommendation by the INTELSAT Assembly, consider in good faith that they have met their obligations under Article XIV; or

(c) The Canadian authorities, in the absence of a favorable recommendation by the INTELSAT Assembly, when the USG does not support the proposal, consider they have met their obligations under Article XIV, and the USG, after taking into account the degree to which the proposal has been modified in the light of the factors which were the basis for the lack of support within INTELSAT, thereafter communicates its support of the proposal.

Since we would assume that any proposal for international telecommunication service to points within the United States would not be made in the absence of prior United States concurrence and, would therefore have United States support in INTELSAT, such services would be consistent with the above conditions.

As was pointed out to Canadian authorities in correspondence dated June 23, 1972, there are, we believe, certain special circumstances where it would be in the interest of both our countries not to preclude our domestic satellite telecommunications systems from providing assistance to one another. One such case would be the provision of support and assistance, subject to the availability of facilities and to the extent it is technically feasible, in the case of catastrophic failure of either system. Another would be for each system to be in a position to assist the other country in meeting its domestic telecommunication needs via satellite either when the other country does not yet have a system in operation or when it may have a temporary shortage of adequate facilities. A third case would be the extension of service to a point or points in the other country where such service was incidental and peripheral to the provision of what was clearly and essentially a domestic service. The implementation of any proposal for services of the type discussed in this paragraph will be subject to approval by appropriate representatives of both Governments.

We would appreciate receiving confirmation that you share the views expressed herein, and that this exchange of letters constitutes an "intergovernmental arrangement" within the meaning of the proposed amendment to the TELESAT Act.

Sincerely yours,

BERT W. REIN,
Deputy Assistant Secretary,
Bureau of Economic and
Business Affairs.

NOVEMBER 8, 1972.

DEAR MR. REIN, We refer to your letter of November 7, 1972. We are able to confirm Canadian acceptance of the views and understandings which you have expressed in the paragraphs 4 and 5 of your letter and, more particularly, for the purposes of the satellites launched pursuant to the 1969 understanding, the conditions which you have specified in the third paragraph.

We hereby confirm that our letter of November 6, 1972, your letter of November 7, 1972, and this reply constitute an "intergovernmental arrangement" within the meaning of the proposed amendment to the objects and powers under the Telesat Canada Act.

With the completion of this exchange of letters, we believe it would now be appropriate to encourage the relevant agencies and parties to further explore and define the agreed areas of mutual interest for co-operation.

Yours sincerely,

K. B. WILLIAMSON, Minister.

F. G. NIXON, Administrator,
Telecommunications Management Bureau,
Department of Communications.

Mr. BERTRAM W. REIN,
Deputy Assistant Secretary for Transportation &
Telecommunications, Department of State, Wash-
ington, D.C.

President Nixon Orders Increase in Certain Oil Import Levels

A PROCLAMATION¹

MODIFYING PROCLAMATION No. 3279, RELATING TO IMPORTS OF PETROLEUM AND PETROLEUM PRODUCTS

The Director of the Office of Emergency Preparedness, with the advice of the Oil Policy Committee, has found that increases in domestic production in 1973 will not be sufficient to supply the expanded demand for petroleum and petroleum products during the year. He has therefore recommended an increase of 915,000 barrels per day in licensed imports into Districts I-IV, including the Canadian component of those imports.

The Director, with the advice of the Oil Policy Committee, has also found that there may be a threat of temporary shortage of No. 2 fuel oil in the current season and has recommended that the requirement for allocations of such fuel oil be suspended for the period January 1, 1973, through April 30, 1973. He has also recommended certain technical amendments to Proclamation No. 3279,² as

amended, relating to foreign trade zones, gilsonite, oil shale and liquefied gases.

In each instance above, the Director has found that his recommended changes would not adversely affect the national security.

The Director, with the advice of the Oil Policy Committee, has taken into account the estimates of the Secretary of the Interior of the quantity of crude oil and natural gas liquids that will be produced in Districts I-IV, adjusted to reflect other national security determinations, and has recommended that Proclamation No. 3279, as amended, be further amended to adjust imports in conformity with these findings.

I agree with the findings and recommendations of the Director and deem it necessary and consistent with the security objectives of Proclamation No. 3279, as amended, to adjust the imports of petroleum and petroleum products, and to improve the administration of the program, as hereinafter provided.

NOW, THEREFORE, I, RICHARD NIXON, President of the United States of America, acting under and by virtue of the authority vested in me by the Constitution and laws of the United States, including section 232 of the Trade Expansion Act of 1962, do hereby proclaim that, effective as of this date, Proclamation No. 3279, as amended, is further amended as follows:

1. Paragraph (a) of Section 1 is revised to read as follows:

"Sec. 1 (a) In Districts I-IV, in District V, and in Puerto Rico, no crude oil, unfinished oils, or finished products may be entered for consumption or withdrawn from warehouse for consumption, except (1) by or for the account of a person to whom a license has been issued by the Secretary of the Interior pursuant to an allocation made to such person by the Secretary in accordance with regulations issued by the Secretary, and such entries or withdrawals may be made only in accordance with the terms of such license, or (2) as authorized by the Secretary pursuant to paragraph (b) of this section, or (3) as to finished products, by or for the account of a department, establishment, or agency of the United States, which shall not be required to have such a license but which shall be subject to the provisions of paragraph (c) of this section, or (4) crude oil, unfinished oils, or finished products which are transported into the United States by pipeline, rail, or other means of overland transportation from the country where they were produced, which country, in the case of unfinished oils or finished products, is also the country of production of the crude oil from which they were processed or manufactured or (5) as provided in paragraph (d) of this section, or (6) as otherwise provided in this Proclamation."

¹No. 4178; 38 *Fed. Reg.* 1719.

²24 *Fed. Reg.* 1781; 3 *CFR*, 1959-1963 Comp., p. 11.

2. Paragraph (a) of Section 1A is amended as follows:

(a) In subparagraph (1) substitute "1973" for "1972."

(b) Subparagraph (2) is revised to read as follows:

"(2) During the period January 1, 1973, through December 31, 1973, Canadian imports under allocations made pursuant to this subparagraph (2) into Districts I-IV shall not exceed an average of 675,000 barrels per day. Entries for consumption of crude oil or unfinished oils transported by pipeline may be made until midnight January 15, 1974 under any license authorizing such imports from Canada for that period and until midnight January 15, 1973, under any license authorizing such imports from Canada for the preceding allocation period. The Secretary shall by regulation provide for allocations of such imports. The regulations shall provide that licenses issued under such allocations shall permit the entry, or withdrawal from warehouses, for consumption of Canadian imports only."

3. Subparagraph (1) of paragraph (a) of Section 2 is amended as follows:

(a) Substitute "2,025,000" for "1,165,000."

(b) Substitute the following for the third and fourth sentences:

"In addition to the imports permitted under the first sentence of this paragraph, for the period May 1, 1973, through December 31, 1973, and for each allocation period thereafter, there may be imported into District I, an average of 50,000 barrels per day of No. 2 fuel oil, manufactured in the Western Hemisphere from crude oil produced in the Western Hemisphere, for allocation, under regulations of the Secretary, to persons in the business in District I of selling No. 2 fuel oil who do not have crude oil import allocations into Districts I-IV and who operate deep water terminals in District I or have throughput agreements with deep water terminal operators in District I who do not have crude oil import allocations into District I-IV, on a fair and equitable basis, to the extent possible, in relation to such persons' inputs of No. 2 fuel oil to such terminals, having regard to any product import allocation into Districts I-IV made to such persons."

4. Add subparagraph (4) to paragraph (a) of Section 2 as follows:

"(4) For the period January 1, 1973, through April 30, 1973, any person who is in the business of selling No. 2 fuel oil in Districts I-IV to be used as fuel may import such No. 2 fuel oil into Districts I-IV without reducing the quantities of crude oil, unfinished oils, and finished products that have been or may be imported under the provisions of Section 1, Section 1A, and Section 2 of this proclamation. Such imports shall require no allocation and

licenses shall be available for such imports in accordance with regulations issued by the Secretary."

5. Paragraph (f) of Section 9 is amended to read as follows:

"(f) 'Crude Oil' means a mixture of hydrocarbons that existed in the liquid phase in natural underground reservoirs and remains liquid at atmospheric pressure after passing through surface separating processes (and are not natural gas products) and the initial liquid hydrocarbons (at atmospheric conditions) produced from tar sands, gilsonite, and oil shale;"

6. Subparagraph (1) of paragraph (g) of Section 9 is amended to read as follows:

"(1) The following liquefied gases, namely ethane, propane, butanes, ethylene, propylene and butylenes, which are derived by refining or other processing of natural gas, crude oil, or unfinished oils;"

IN WITNESS WHEREOF, I have hereunto set my hand this seventeenth day of January, in the year of our Lord nineteen hundred seventy-three and of the Independence of the United States of America the one hundred ninety-seventh.



New Bill Proposed on Immunities of Foreign States in U.S. Courts

Following are a Department announcement issued on December 29 and the text of a letter dated January 16 from Secretary Rogers and Attorney General Richard G. Kleindienst to Speaker of the House Carl Albert.¹

DEPARTMENT ANNOUNCEMENT

Press release 321 dated December 29

The Department of State announced on December 29 that the Departments of State and Justice have completed work on a draft bill to regulate the jurisdictional immunities of foreign states in U.S. courts. The draft bill would create a comprehensive statutory regime for determining sovereign immunity issues and would transfer to the courts the

¹ An identical submission was made to President of the Senate Spiro T. Agnew.

task of determining when a foreign state is entitled to immunity.

Secretary Rogers hailed the draft bill as "an important milestone in the foreign relations law of the United States." He said that the draft would be jointly transmitted by him and the Attorney General to the 93d Congress as soon as it convenes and that in view of the importance of the legislation he hopes that it can receive careful attention early in the session.

At present the determination whether a foreign state which is sued in a court of the United States is entitled to immunity is largely governed by suggestions of the Department of State communicated to the courts through the Department of Justice. In making suggestions of immunity, the Department has been guided by the "restrictive theory of sovereign immunity" as set forth in the "Tate letter" of May 19, 1952, from the Acting Legal Adviser of the Department of State, Jack B. Tate, to the Acting Attorney General. According to the restrictive theory of immunity, the immunity of the sovereign is recognized with regard to public acts, but not with regard to private or commercial acts.

The Legal Adviser of the Department of State, John R. Stevenson, said that "the draft bill was carefully prepared over a period of four years and reflects the most modern thinking on the law governing when foreign states should be subject to the jurisdiction of U.S. courts." He also indicated that for many years the foreign relations bar has been virtually unanimous in feeling that development of the law of sovereign immunity would be enhanced by judicial determination on the basis of comprehensive legislation. He explained that in recent years a number of gaps in the existing law have become more troublesome, particularly the lack of a clear method of service of process on foreign governments. One consequence has been a practice of attaching the assets of foreign governments simply as a method of obtaining jurisdiction over them. This practice has in turn sometimes resulted in serious hardships as foreign governments have had their assets tied up. Mr. Stevenson further pointed out

that as our trade and other commercial arrangements with foreign governments increase, it will be even more important to have a modern regime for dealing with these issues.

The proposed bill largely follows the restrictive theory of sovereign immunity. It also spells out the respective jurisdictions of State and Federal courts and the venue and removal requirements in actions brought against foreign states and creates a method of service of process on foreign states. Attachment of the assets of a foreign state for the purpose of obtaining jurisdiction would thus no longer be appropriate.

The Legal Adviser said that until the draft legislation is enacted, the Department will continue to be guided by its traditional policy as embodied in the "Tate letter." He pointed out also that "the Department contemplates that when draft legislation on this subject is enacted, it would propose, subject to Senate approval, that the United States file a declaration accepting the compulsory jurisdiction of the International Court of Justice, on condition of reciprocity, with respect to disputes concerning the immunity of foreign states. Such a declaration would recognize the common interest of all nations in reciprocally applicable rules concerning the immunity of foreign states."

TEXT OF LETTER

JANUARY 16, 1973.

The SPEAKER
House of Representatives
Washington, D. C.

DEAR MR. SPEAKER: There is attached for your consideration and appropriate reference a draft bill, "To define the circumstances in which foreign states are immune from the jurisdiction of United States courts and in which execution may not be levied on their assets, and for other purposes," which is being submitted jointly by the Department of State and the Department of Justice.

At present the determination whether a foreign state which is sued in a court of the United States is entitled to sovereign immunity is made by the court in which the action is brought. However, the courts normally defer to the suggestion of the Department of State that immunity should be accorded and make their own determination of entitle-

ment to immunity only when the Department of State makes no submission to the court.

The law which is applied both by the courts and by the Department of State is thus the result of the joint articulation of the law by the judiciary and the Department. The views expressed by the courts influence the Department of State, and the views expressed by the Department of State influence the courts. In the process of ascertaining and applying the law, both the Department and the courts rely on precedents and trends of decision in foreign as well as United States courts.

The policy of the Department of State, which has been given effect by the courts as well, was set forth in a letter of May 19, 1952 from the Acting Legal Adviser of the Department of State to the Acting Attorney General. The Department of State asserted that its policy would be thereafter "to follow the restrictive theory of sovereign immunity in the consideration of requests of foreign governments for a grant of sovereign immunity." The letter stated,

According to the newer or restrictive theory of sovereign immunity, the immunity of the sovereign is recognized with regard to sovereign or public acts (*jure imperii*) of a state, but not with respect to private acts (*jure gestionis*). There is agreement by proponents of both theories [i.e. of absolute and of restrictive immunity], supported by practice, that sovereign immunity should not be claimed or granted in actions with respect to real property (diplomatic and perhaps consular property excepted) or with respect to the disposition of the property of a deceased person even though a foreign sovereign is the beneficiary.

The effect of the draft bill would be to accomplish four things:

1. The task of determining whether a foreign state is entitled to immunity would be transferred wholly to the courts, and the Department of State would no longer express itself on requests for immunity directed to it by the courts or by foreign states.
2. The restrictive theory of sovereign immunity would be further particularized in statutory form.
3. Foreign states would no longer be accorded absolute immunity from execution on judgments rendered against them, as is now the case, and their immunity from execution would conform more closely to the restrictive theory of immunity from jurisdiction.
4. The means whereby process may be served on foreign states would be specified.

The central principle of the draft bill is to make the question of a foreign state's entitlement to immunity an issue justiciable by the courts, without participation by the Department of State. As the situation now stands, the courts normally defer to

the views of the Department of State, which puts the Department in the difficult position of effectively determining whether the plaintiff will have his day in court. If the Department suggests immunity, the court will normally honor the suggestion, and the case will be dismissed for want of jurisdiction. If the Department does not suggest immunity, the court may either take the silence of the Department as an indication that immunity is not appropriate or will determine the question itself, with due regard for the policy of the Department and the views expressed in the past by the courts. While the Department has attempted to provide internal procedures which will give both the plaintiff and the defendant foreign state a hearing, it is not satisfactory that a department, acting through administrative procedures, should in the generality of cases determine whether the plaintiff will or will not be permitted to pursue his cause of action. Questions of such moment appear particularly appropriate for resolution by the courts, rather than by an executive department.

The transfer of this function to the courts will also free the Department from pressures by foreign states to suggest immunity and from any adverse consequences resulting from the unwillingness of the Department to suggest immunity. The Department would be in a position to assert that the question of immunity is entirely one for the courts.

Plaintiffs, the Department of State, and foreign states would thus benefit from the removal of the issue of immunity from the realm of discretion and making it a justiciable question.

The draft bill would give appropriate guidance, grounded in the restrictive theory of immunity, on the standards to be employed. These are consistent with those applied in other developed legal systems. In brief, foreign states would not be immune from the jurisdiction of United States courts when the foreign state has waived its immunity, when the action is based on a commercial activity or concerns property present in the United States in connection with a commercial activity, when the action relates to immovables or to rights in property acquired by succession or gift, or when an action is brought against a foreign state for personal injury or death or damage to or loss of property occasioned by the tortious act in the United States of a foreign state. Special provisions would be made for counterclaims and for actions relating to the public debt of a foreign state.

Under the present law, a plaintiff who is able to bring his action against a foreign state because it relates to a commercial act (*jure gestionis*) of that state may be denied the fruits of his judgment against the foreign state. The immunity of a foreign state from execution has remained absolute. The draft bill would permit execution on the assets of a foreign state if the foreign state had waived its immunity from execution or if the assets were held for commercial purposes in the United States. The

plaintiff could thus recover against commercial accounts, but not against those maintained for governmental purposes. The successful plaintiff would also be precluded from levying on funds deposited in the United States in connection with central banking activities and on military property.

Finally the draft bill would, in addition to specifying the respective jurisdictions of State and Federal courts in actions against foreign states and venue requirements, clear up the question of how foreign states are to be served. Service would be made either on the ambassador or other person entitled to receive service, and a copy of the complaint, furnished to the Department of State, would in turn be transmitted to the department of the foreign state responsible for the conduct of foreign relations. The initiation of actions through attachment would thus no longer be appropriate.

The ideal arrangement concerning the sovereign immunity of foreign states would be the regulation of the question through a general international agreement. The draft bill is looked upon as an arrangement to be applied until such time as a satisfactory convention is drawn up and the United States becomes a party to it.

The Department of State contemplates that if the draft bill should be enacted, it would propose that the United States file a declaration accepting the compulsory jurisdiction of the International Court of Justice, on condition of reciprocity, with respect to disputes concerning the immunity of foreign states. The resolution of disputed questions of sovereign immunity by the World Court would have the beneficial effect of assuring that the law and practice of this and other countries conform with international law and of imparting further precision to the law in areas where some measure of uncertainty now exists.

The Office of Management and Budget has advised that there is no objection to the enactment of this legislation from the standpoint of the Administration's program.

Sincerely,

RICHARD G. KLEINDIENST
Attorney General

WILLIAM P. ROGERS
Secretary of State

Congressional Documents Relating to Foreign Policy

92d Congress, 2d Session

Foreign Assistance Act of 1972. Report to accompany H.R. 16029. S. Rept. 92-1182. September 19, 1972. 38 pp.

Journey to the New China, April-May 1972. Reports of Senator Mike Mansfield and Senator Hugh Scott. S. Doc. 92-89. September 26, 1972. 34 pp.

U.S. Participation in the Spokane Expo 1974. Report, together with minority views, to accompany S. 4022; S. Rept. 92-1251; October 2, 1972; 24 pp. Report to accompany S. 4022; H. Rept. 92-1584; October 12, 1972; 6 pp.

Creating an Atlantic Union Delegation. Report to accompany S.J. Res. 217. S. Rept. 92-1255. October 2, 1972. 42 pp.

Extension of Existing Suspension of Duty on Certain Dyeing and Tanning Products and Inclusion of Logwood Among Such Products. Report to accompany H.R. 15795. H. Rept. 92-1481. October 2, 1972. 3 pp.

Extension of Existing Suspension of Duty on Certain Istle. Report to accompany H.R. 15442. H. Rept. 92-1482. October 2, 1972. 3 pp.

Protection of Foreign Officials. Conference report to accompany H.R. 15883. H. Rept. 92-1485. October 2, 1972. 3 pp.

TREATY INFORMATION

Current Actions

MULTILATERAL

Aviation

International air services transit agreement. Done at Chicago December 7, 1944. Entered into force February 8, 1945. 59 Stat. 1693.

Acceptance deposited: Hungary, January 15, 1973.

Convention for the suppression of unlawful seizure of aircraft. Done at The Hague December 16, 1970. Entered into force October 14, 1971. TIAS 7192.

Ratification deposited: El Salvador, January 17, 1973.

Accession deposited: Republic of Korea, January 18, 1973.

Convention for the suppression of unlawful acts against the safety of civil aviation. Done at Montreal September 23, 1971. Entered into force January 26, 1973.

Ratification deposited: Denmark, January 17, 1973.¹

Biological Weapons

Convention on the prohibition of the development, production and stockpiling of bacteriological (biological) and toxin weapons and on their destruction. Done at Washington, London, and Moscow April 10, 1972.²

Signatures: India, January 15, 1973;³ Thailand, January 17, 1973.

¹ Does not apply to Faroe Islands and Greenland.

² Not in force.

³ With a statement.

Satellite Communications System

Agreement relating to the International Telecommunications Satellite Organization (Intelsat), with annexes. Done at Washington August 20, 1971. Enters into force February 12, 1973. TIAS 7532.

Notification of provisional application: Iceland, January 16, 1973.

Ratification deposited: Finland, January 17, 1973.

Accession deposited: Barbados, January 19, 1973.

Operating agreement relating to the International Telecommunications Satellite Organization (Intelsat), with annex. Done at Washington August 20, 1971. Enters into force February 12, 1973. TIAS 7532.

Signature: Cable and Wireless (West Indies) Ltd. for Barbados, January 19, 1973.

Trade

Agreement on implementation of article VI of the General Agreement on Tariffs and Trade. Done at Geneva June 30, 1967. Entered into force July 1, 1968. TIAS 6431.

Acceptance deposited: Spain, December 19, 1972.

Protocol for the accession of the People's Republic of Bangladesh to the General Agreement on Tariffs and Trade, with annex. Done at Geneva November 7, 1972. Entered into force December 16, 1972.

Acceptances deposited: Japan, December 13, 1972; Norway, December 1, 1972; United States, November 24, 1972.

BILATERAL

Indonesia

Agreement amending the agreement for sales of agricultural commodities of May 26, 1972 (TIAS 7358). Effected by exchange of notes at Jakarta December 11, 1972. Entered into force December 11, 1972.

Agreement amending the agreement for sales of agricultural commodities of May 26, 1972 (TIAS 7358). Effected by exchange of notes at Jakarta December 12, 1972. Entered into force December 12, 1972.

Agreement amending the agreement for sales of agricultural commodities of May 26, 1972 (TIAS 7358). Effected by exchange of notes at Jakarta

December 13, 1972. Entered into force December 13, 1972.

Oman

Agreement relating to the establishment of a Peace Corps program in Oman. Effected by exchange of notes at Muscat November 15 and 28, 1972. Entered into force November 28, 1972.

Poland

Air transport agreement, with exchange of notes. Signed at Warsaw July 19, 1972. Entered into force provisionally July 19, 1972.

Entered into force definitively: December 8, 1972.

Portugal

Agreement relating to trade in cotton textiles between Macau and the United States, with annex. Effected by exchange of notes at Lisbon December 22, 1972. Entered into force December 22, 1972.

Agreement relating to exports of wool and man-made fiber textile products from Macau; with annexes. Effected by exchange of notes at Lisbon December 22, 1972. Entered into force December 22, 1972.

Union of Soviet Socialist Republics

Agreement extending (1) agreement on certain fishery problems on the high seas in the western areas of the Middle Atlantic Ocean of December 11, 1970 (TIAS 7009); (2) protocol to the agreement on certain fishery problems on the high seas in the western areas of the Middle Atlantic Ocean of February 2, 1971 (TIAS 7043); (3) agreement on certain fisheries problems in the northeastern part of the Pacific Ocean off the coast of the United States of America of February 12, 1971 (TIAS 7046); (4) agreement relating to fishing operations in the northeastern Pacific Ocean of February 12, 1971 (TIAS 7045); and (5) agreement relating to fishing for king and tanner crab of February 12, 1971 (TIAS 7044). Effected by exchange of notes at Washington December 31, 1972. Entered into force December 31, 1972.

United Kingdom

Agreement confirming a memorandum of understanding concerning the furnishing of launching and associated services by NASA for United Kingdom satellites, with annexes. Effected by exchange of notes at Washington January 17, 1973. Entered into force January 17, 1973.

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Press releases may be obtained from the Office of Press Relations, Department of State, Washington, D.C. 20520.

Release issued prior to January 15 which appears in this issue of the BULLETIN is No. 321 of December 29.

No.	Date	Subject
+6	1/16	Volume IX of "Foreign Relations" series for 1948 released.
*7	1/16	Regional foreign policy conference, New Orleans, Feb. 15.
8	1/17	Rogers: Conference of Presidents of Major American Jewish Organizations, New York.
+9	1/17	U.S. launch services for British satellites.
+10	1/17	John Updike to Visit Africa as Lincoln lecturer (rewrite).
*11	1/17	Meeting of U.S. Advisory Commission on International Educational and Cultural Affairs, Feb. 2.
*12	1/18	Regional foreign policy conference, Nashville, Feb. 15.
13	1/18	Isham: 174th plenary session on Viet-Nam at Paris.

Not printed.

+ Held for a later issue of the BULLETIN.

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THE DEPARTMENT OF STATE BULLETIN

Volume LXVIII

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February 12, 1973

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THE DEPARTMENT OF STATE BULLETIN

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February 12, 1973

The Department of State BULLETIN, a weekly publication issued by the Office of Media Services, Bureau of Public Affairs, provides the public and interested agencies of the government with information on developments in the field of U.S. foreign relations and on the work of the Department and the Foreign Service.

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Agreement Concluded on Ending the War and Restoring Peace in Viet-Nam

Following are texts of an address to the Nation made by President Nixon on television and radio on January 23, a news conference held at the White House on January 24 by Henry A. Kissinger, Assistant to the President for National Security Affairs, and the Agreement on Ending the War and Restoring Peace in Vietnam and related protocols released by the White House January 24.

ADDRESS BY PRESIDENT NIXON, JANUARY 23

Weekly Compilation of Presidential Documents dated January 29

Good evening. I have asked for this radio and television time tonight for the purpose of announcing that we today have concluded an agreement to end the war and bring peace with honor in Viet-Nam and in Southeast Asia.

The following statement is being issued at this moment in Washington and Hanoi:

"At 12:30 Paris time today, January 23, 1973, the Agreement on Ending the War and Restoring Peace in Vietnam was initialed by Dr. Henry Kissinger on behalf of the United States, and Special Advisor Le Duc Tho on behalf of the Democratic Republic of Vietnam.

"The agreement will be formally signed by the parties participating in the Paris Conference on Vietnam on January 27, 1973, at the International Conference Center in Paris.

"The cease-fire will take effect at 2400 Greenwich Mean Time, January 27, 1973. The United States and the Democratic Republic of Vietnam express the hope that this agreement will insure stable peace in Vietnam and contribute to the preservation of

lasting peace in Indochina and Southeast Asia."

That concludes the formal statement.

Throughout the years of negotiations, we have insisted on peace with honor. In my addresses to the Nation from this room of January 25 and May 8, I set forth the goals that we considered essential for peace with honor.¹

In the settlement that has now been agreed to, all the conditions that I laid down then have been met. A cease-fire, internationally supervised, will begin at 7 p.m. this Saturday, January 27, Washington time. Within 60 days from this Saturday, all Americans held prisoners of war throughout Indochina will be released. There will be the fullest possible accounting for all of those who are missing in action.

During the same 60-day period, all American forces will be withdrawn from South Viet-Nam.

The people of South Viet-Nam have been guaranteed the right to determine their own future without outside interference.

By joint agreement, the full text of the agreement and the protocols to carry it out will be issued tomorrow.

Throughout these negotiations we have been in the closest consultation with President Thieu and other representatives of the Republic of Viet-Nam. This settlement meets the goals and has the full support of President Thieu and the Government of the Republic of Viet-Nam, as well as that of our other allies who are affected.

The United States will continue to recognize the Government of the Republic of Viet-

¹ For texts, see BULLETIN of Feb. 14, 1972, p. 181, and May 29, 1972, p. 747.

Nam as the sole legitimate government of South Viet-Nam.

We shall continue to aid South Viet-Nam within the terms of the agreement, and we shall support efforts by the people of South Viet-Nam to settle their problems peacefully among themselves.

We must recognize that ending the war is only the first step toward building the peace. All parties must now see to it that this is a peace that lasts, and also a peace that heals, and a peace that not only ends the war in Southeast Asia but contributes to the prospects of peace in the whole world.

This will mean that the terms of the agreement must be scrupulously adhered to. We shall do everything the agreement requires of us, and we shall expect the other parties to do everything it requires of them. We shall also expect other interested nations to help insure that the agreement is carried out and peace is maintained.

As this long and very difficult war ends, I would like to address a few special words to each of those who have been parties in the conflict.

First, to the people and Government of South Viet-Nam: By your courage, by your sacrifice, you have won the precious right to determine your own future, and you have developed the strength to defend that right. We look forward to working with you in the future, friends in peace as we have been allies in war.

To the leaders of North Viet-Nam: As we have ended the war through negotiations, let us now build a peace of reconciliation. For our part, we are prepared to make a major effort to help achieve that goal; but just as reciprocity was needed to end the war, so, too, will it be needed to build and strengthen the peace.

To the other major powers that have been involved, even indirectly: Now is the time for mutual restraint so that the peace we have achieved can last.

And finally, to all of you who are listening, the American people: Your steadfastness in supporting our insistence on peace with honor has made peace with honor pos-

sible. I know that you would not have wanted that peace jeopardized. With our secret negotiations at the sensitive stage they were in during this recent period, for me to have discussed publicly our efforts to secure peace would not only have violated our understanding with North Viet-Nam; it would have seriously harmed and possibly destroyed the chances for peace. Therefore, I know that you now can understand why during these past several weeks I have not made any public statements about those efforts.

The important thing was not to talk about peace, but to get peace and to get the right kind of peace. This we have done.

Now that we have achieved an honorable agreement, let us be proud that America did not settle for a peace that would have betrayed our allies, that would have abandoned our prisoners of war, or that would have ended the war for us but would have continued the war for the 50 million people of Indochina. Let us be proud of the 2½ million young Americans who served in Viet-Nam, who served with honor and distinction in one of the most selfless enterprises in the history of nations. And let us be proud of those who sacrificed, who gave their lives so that the people of South Viet-Nam might live in freedom and so that the world might live in peace.

In particular, I would like to say a word to some of the bravest people I have ever met—the wives, the children, the families, of our prisoners of war and the missing in action. When others called on us to settle on any terms, you had the courage to stand for the right kind of peace so that those who died and those who suffered would not have died and suffered in vain and so that where this generation knew war the next generation would know peace. Nothing means more to me at this moment than the fact that your long vigil is coming to an end.

Just yesterday, a great American who once occupied this office died. In his life President Johnson endured the vilification of those who sought to portray him as a man of war. But there was nothing he cared

about more deeply than achieving a lasting peace in the world.

I remember the last time I talked with him. It was just the day after New Year's. He spoke then of his concern with bringing peace, with making it the right kind of peace, and I was grateful that he once again expressed his support for my efforts to gain such a peace. No one would have welcomed this peace more than he.

And I know he would join me in asking for those who died and for those who live: Let us consecrate this moment by resolving together to make the peace we have achieved a peace that will last.

Thank you and good evening.

DR. KISSINGER'S NEWS CONFERENCE, JANUARY 24

Weekly Compilation of Presidential Documents dated January 29

Ladies and gentlemen: The President last evening presented the outlines of the agreement, and by common agreement between us and the North Vietnamese we have today released the texts. And I am here to explain, to go over briefly, what these texts contain and how we got there, what we have tried to achieve in recent months, and where we expect to go from here.

Let me begin by going through the agreement, which you have read.

The agreement, as you know, is in nine chapters. The first affirms the independence, sovereignty, unity, and territorial integrity, as recognized by the 1954 Geneva agreements on Viet-Nam, agreements which established two zones divided by a military demarcation line.

Chapter II deals with the cease-fire. The cease-fire will go into effect at 7 o'clock, Washington time, on Saturday night. The principal provisions of chapter II deal with permitted acts during the cease-fire and with what the obligations of the various parties are with respect to the cease-fire.

Chapter II also deals with the withdrawal of American and all other foreign forces from Viet-Nam within a period of 60 days.

And it specifies the forces that have to be withdrawn. These are, in effect, all military personnel and all civilian personnel dealing with combat operations. We are permitted to retain economic advisers, and civilian technicians serving in certain of the military branches.

Chapter II further deals with the provisions for resupply and for the introduction of outside forces. There is a flat prohibition against the introduction of any military force into South Viet-Nam from outside of South Viet-Nam, which is to say that whatever forces may be in South Viet-Nam from outside South Viet-Nam, specifically North Vietnamese forces, cannot receive reinforcements, replacements, or any other form of augmentation by any means whatsoever. With respect to military equipment, both sides are permitted to replace all existing military equipment on a one-to-one basis under international supervision and control.

There will be established, as I will explain when I discuss the protocols, for each side three legitimate points of entry through which all replacement equipment has to move. These legitimate points of entry will be under international supervision.

Release of Prisoners

Chapter III deals with the return of captured military personnel and foreign civilians, as well as with the question of civilian detainees within South Viet-Nam.

This, as you know, throughout the negotiations presented enormous difficulties for us. We insisted throughout that the question of American prisoners of war and of American civilians captured throughout Indochina should be separated from the issue of Vietnamese civilian personnel detained, partly because of the enormous difficulty of classifying the Vietnamese civilian personnel by categories of who was detained for reasons of the civil war and who was detained for criminal activities, and secondly, because it was foreseeable that negotiations about the release of civilian detainees would be complex and difficult and because we did not want to have the issue of American per-

sonnel mixed up with the issues of civilian personnel in South Viet-Nam.

This turned out to be one of the thorniest issues, that was settled at some point and kept reappearing throughout the negotiations. It was one of the difficulties we had during the December negotiations.

As you can see from the agreement, the return of American military personnel and captured civilians is separated in terms of obligation, and in terms of the time frame, from the return of Vietnamese civilian personnel.

The return of American personnel and the accounting of missing in action is unconditional and will take place within the same time frame as the American withdrawal.

The issue of Vietnamese civilian personnel will be negotiated between the two Vietnamese parties over a period of three months, and as the agreement says, they will do their utmost to resolve this question within the three-month period.

So I repeat, the issue is separated, both in terms of obligation and in terms of the relevant time frame, from the return of American prisoners, which is unconditional.

We expect that American prisoners will be released at intervals of two weeks or 15 days in roughly equal installments. We have been told that no American prisoners are held in Cambodia. American prisoners held in Laos and North Viet-Nam will be returned to us in Hanoi. They will be received by American medical evacuation teams and flown on American airplanes from Hanoi to places of our own choice, probably Vientiane.

There will be international supervision of both this provision and of the provision for the missing in action. And all American prisoners will, of course, be released, within 60 days of the signing of the agreement. The signing will take place on January 27 in two installments, the significance of which I will explain to you when I have run through the provisions of the agreement and the associated protocols.

Self-Determination for South Viet-Nam

Chapter IV of the agreement deals with the right of the South Vietnamese people to

self-determination. Its first provision contains a joint statement by the United States and North Viet-Nam in which those two countries jointly recognize the South Vietnamese people's right to self-determination, in which those two countries jointly affirm that the South Vietnamese people shall decide for themselves the political system that they shall choose and jointly affirm that no foreign country shall impose any political tendency on the South Vietnamese people.

The other principal provisions of the agreement are that in implementing the South Vietnamese people's right to self-determination, the two South Vietnamese parties will decide, will agree among each other, on free elections, for offices to be decided by the two parties, at a time to be decided by the two parties. These elections will be supervised and organized first by an institution which has the title of National Council for National Reconciliation and Concord, whose members will be equally appointed by the two sides, which will operate on the principle of unanimity, and which will come into being after negotiation between the two parties, who are obligated by this agreement to do their utmost to bring this institution into being within 90 days.

Leaving aside the technical jargon, the significance of this part of the agreement is that the United States has consistently maintained that we would not impose any political solution on the people of South Viet-Nam. The United States has consistently maintained that we would not impose a coalition government or a disguised coalition government on the people of South Viet-Nam.

If you examine the provisions of this chapter, you will see, first, that the existing government in Saigon can remain in office; secondly, that the political future of South Viet-Nam depends on agreement between the South Vietnamese parties, and not on an agreement that the United States has imposed on these parties; thirdly, that the nature of this political evolution, the timing of this political evolution, is left to the South Vietnamese parties, and that the organ that is created to see to it that the elections that

are organized will be conducted properly is one in which each of the South Vietnamese parties has a veto.

The other significant provision of this agreement is the requirement that the South Vietnamese parties will bring about a reduction of their armed forces and that the forces being reduced will be demobilized.

The Issue of the Demilitarized Zone

The next chapter deals with the reunification of Viet-Nam and the relationship between North and South Viet-Nam. In the many negotiations that I have conducted over recent weeks, not the least arduous was the negotiation conducted with the ladies and gentlemen of the press, who constantly raised issues with respect to sovereignty, the existence of South Viet-Nam as a political entity, and other matters of this kind.

I will return to this issue at the end when I sum up the agreement, but it is obvious that there is no dispute in the agreement between the parties that there is an entity called South Viet-Nam and that the future unity of Viet-Nam, as it comes about, will be decided by negotiation between North and South Viet-Nam; that it will not be achieved by military force; indeed, that the use of military force with respect to bringing about unification, or any other form of coercion, is impermissible according to the terms of this agreement.

Secondly, there are specific provisions in this chapter with respect to the demilitarized zone (DMZ). There is a repetition of the agreement of 1954 which makes the demarcation line along the 17th parallel provisional, which means pending reunification. There is a specific provision that both North and South Viet-Nam shall respect the demilitarized zone on either side of the provisional military demarcation line, and there is another provision that indicates that among the subjects that can be negotiated will be modalities of civilian movement across the demarcation line, which makes it clear that military movement across the demilitarized zone is in all circumstances prohibited.

Now, this may be an appropriate point to explain what our position has been with

respect to the DMZ. There has been a great deal of discussion about the issue of sovereignty and about the issue of legitimacy—which is to say, which government is in control of South Viet-Nam—and finally, about why we laid such great stress on the issue of the demilitarized zone.

We had to place stress on the issue of the demilitarized zone because the provisions of the agreement with respect to infiltration, with respect to replacement, with respect to any of the military provisions, would have made no sense whatsoever if there was not some demarcation line that defined where South Viet-Nam began. If we had accepted the proposition that would have in effect eroded the demilitarized zone, then the provisions of the agreement with respect to restrictions about the introduction of men and materiel into South Viet-Nam would have been unilateral restrictions applying only to the United States and only to our allies. Therefore, if there was to be any meaning to the separation of military and political issues, if there was to be any permanence to the military provisions that had been negotiated, then it was essential that there was a definition of where the obligations of this agreement began. As you can see from the text of the agreement, the principles that we defended were essentially achieved.

Chapter VI deals with the international machinery, and we will discuss that when I talk about the associated protocols of the agreement.

Laos and Cambodia

Chapter VII deals with Laos and Cambodia. Now, the problem of Laos and Cambodia has two parts. One part concerns those obligations which can be undertaken by the parties signing the agreement—that is to say, the three Vietnamese parties and the United States—those measures that they can take which affect the situation in Laos and Cambodia. A second part of the situation in Laos has to concern the nature of the civil conflict that is taking place within Laos and Cambodia and the solution of which, of course, must involve as well the two Laotian

parties and the innumerable Cambodian factions.

Let me talk about the provisions of the agreement with respect to Laos and Cambodia and our firm expectations as to the future in Laos and Cambodia.

The provisions of the agreement with respect to Laos and Cambodia reaffirm, as an obligation to all the parties, the provisions of the 1954 agreement on Cambodia and of the 1962 agreement on Laos, which affirm the neutrality and right to self-determination of those two countries. They are therefore consistent with our basic position with respect also to South Viet-Nam.

In terms of the immediate conflict, the provisions of the agreement specifically prohibit the use of Laos and Cambodia for military and any other operations against any of the signatories of the Paris agreement or against any other country. In other words, there is a flat prohibition against the use of base areas in Laos and Cambodia.

There is a flat prohibition against the use of Laos and Cambodia for infiltration into Viet-Nam or, for that matter, into any other country.

Finally, there is a requirement that all foreign troops be withdrawn from Laos and Cambodia, and it is clearly understood that North Vietnamese troops are considered foreign with respect to Laos and Cambodia.

Now, as to the conflict within these countries which could not be formally settled in an agreement which is not signed by the parties of that conflict, let me make this statement, without elaborating it: It is our firm expectation that within a short period of time there will be a formal cease-fire in Laos which in turn will lead to a withdrawal of all foreign forces from Laos and, of course, to the end of the use of Laos as a corridor of infiltration.

Secondly, the situation in Cambodia, as those of you who have studied it will know, is somewhat more complex because there are several parties headquartered in different countries. Therefore, we can say about Cambodia that it is our expectation that a de facto cease-fire will come into being over

a period of time relevant to the execution of this agreement.

Our side will take the appropriate measures to indicate that it will not attempt to change the situation by force. We have reason to believe that our position is clearly understood by all concerned parties, and I will not go beyond this in my statement.

Relationship of the U.S. to North Viet-Nam

Chapter VIII deals with the relationship between the United States and the Democratic Republic of Viet-Nam.

As I have said in my briefings on October 26 and on December 16 and as the President affirmed on many occasions, the last time in his speech last evening, the United States is seeking a peace that heals.² We have had many armistices in Indochina. We want a peace that will last.

And therefore it is our firm intention in our relationship to the Democratic Republic of Viet-Nam to move from hostility to normalization, and from normalization to conciliation and cooperation. And we believe that under conditions of peace we can contribute throughout Indochina to a realization of the humane aspirations of all the people of Indochina. And we will, in that spirit, perform our traditional role of helping people realize these aspirations in peace.

Chapter IX of the agreement is the usual implementing provision.

So much for the agreement.

Provisions of Protocols to the Agreement

Now let me say a word about the protocols. There are four protocols or implementing instruments to the agreement: on the return of American prisoners, on the implementation and institution of an International Control Commission, on the regulations with respect to the cease-fire and the implementation and institution of a Joint Military Commission among the concerned parties, and a

² For Dr. Kissinger's news conferences of Oct. 26 and Dec. 16, 1972, see *BULLETIN* of Nov. 13, 1972, p. 549, and Jan. 8, 1973, p. 33.

protocol about the deactivation and removal of mines.

I have given you the relevant provisions of the protocol concerning the return of prisoners. They will be returned at periodic intervals in Hanoi to American authorities and not to American private groups. They will be picked up by American airplanes, except for prisoners held in the southern part of South Viet-Nam, which will be released at designated points in the South, again to American authorities.

We will receive on Saturday, the day of the signing of the agreement, a list of all American prisoners held throughout Indochina. And both parties—that is to say, all parties—have an obligation to assist each other in obtaining information about the prisoners, missing in action, and about the location of graves of American personnel throughout Indochina.

The International Commission has the right to visit the last place of detention of the prisoners, as well as the place from which they are released.

Now to the International Control Commission. You will remember that one of the reasons for the impasse in December was the difficulty of agreeing with the North Vietnamese about the size of the International Commission, its function, or the location of its teams.

On this occasion, there is no point in rehashing all the differences. It is, however, useful to point out that at that time the proposal of the North Vietnamese was that the International Control Commission have a membership of 250, no organic logistics or communication, dependent entirely for its authority to move on the party it was supposed to be investigating; and over half of its personnel were supposed to be located in Saigon, which is not the place where most of the infiltration that we were concerned with was likely to take place.

We have distributed to you an outline of the basic structure of this Commission.³ Briefly stated, its total number is 1,160,

³ Not printed here.

drawn from Canada, Hungary, Indonesia, and Poland. It has a headquarters in Saigon. It has seven regional teams, 26 teams based in localities throughout Viet-Nam which were chosen either because forces were in contact there or because we estimated that these were the areas where the violations of the cease-fire were most probable.

There are 12 teams at border-crossing points. There are seven teams that are set aside for points of entry, which have yet to be chosen, for the replacement of military equipment. That is for article 7 of the agreement. There will be three on each side, and there will be no legitimate point of entry into South Viet-Nam other than those three points. The other border and coastal teams are there simply to make certain that no other entry occurs, and any other entry is by definition illegal. There has to be no other demonstration except the fact that it occurred.

This leaves one team free for use, in particular, at the discretion of the Commission. And of course the seven teams that are being used for the return of the prisoners can be used at the discretion of the Commission after the prisoners are returned.

There is one reinforced team located at the demilitarized zone, and its responsibility extends along the entire demilitarized zone. It is in fact a team and a half. It is 50 percent larger than a normal border team and it represents one of the many compromises that were made, between our insistence on two teams and their insistence on one team. By a brilliant stroke, we settled on a team and a half. [Laughter.]

With respect to the operation of the International Commission, it is supposed to operate on the principle of unanimity, which is to say that its reports, if they are Commission reports, have to have the approval of all four members. However, each member is permitted to submit his own opinion, so that as a practical matter any member of the Commission can make a finding of a violation and submit a report, in the first instance to the parties.

The International Commission will report for the time being to the four parties to the agreement. An international conference will take place, we expect, at the foreign ministers level within a month of signing the agreement.

That international conference will establish a relationship between the International Commission and itself, or any other international body that is mutually agreed upon, so that the International Commission is not only reporting to the parties that it is investigating. But for the time being, until the international conference has met, there was no other practical group to which the International Commission could report.

In addition to this international group, there are two other institutions that are supposed to supervise the cease-fire. There is, first of all, an institution called the Four-Party Joint Military Commission, which is composed of ourselves and the three Vietnamese parties, which is located in the same place as the International Commission, charged with roughly the same functions, but as a practical matter, it is supposed to conduct the preliminary investigations, its disagreements are automatically referred to the International Commission, and moreover, any party can request the International Commission to conduct an investigation regardless of what the Four-Party Commission does and regardless of whether the Four-Party Commission has completed its investigation or not.

After the United States has completed its withdrawal, the Four-Party Military Commission will be transformed into a Two-Party Commission composed of the two South Vietnamese parties. The total number of supervisory personnel, therefore, will be in the neighborhood of 4,500 during the period that the Four-Party Commission is in existence, and in the neighborhood of about 3,000 after the Four-Party Commission ceases operating and the Two-Party Commission comes into being.

Finally, there is a protocol concerning the removal and deactivation of mines, which is self-explanatory and simply explains—

discusses the relationship between our efforts and the efforts of the DRV concerning the removal and deactivation of mines, which is one of the obligations we have undertaken in the agreement.

Procedure for Signing Documents

Now let me point out one other problem. On Saturday, January 27, the Secretary of State, on behalf of the United States, will sign the agreement bringing the cease-fire and all the other provisions of the agreement and the protocols into force. He will sign in the morning a document involving four parties, and in the afternoon a document between us and the Democratic Republic of Viet-Nam. These documents are identical, except that the preamble differs in both cases.

The reason for this somewhat convoluted procedure is that while the agreement provides that the two South Vietnamese parties should settle their disputes in an atmosphere of national reconciliation and concord, I think it is safe to say that they have not yet quite reached that point, indeed, that they have not yet been prepared to recognize each other's existence.

This being the case, it was necessary to devise one document in which neither of the South Vietnamese parties was mentioned by name, and therefore no other party could be mentioned by name, on the principle of equality. So the four-party document, the document that will have four signatures, can be read with great care and you will not know until you get to the signature page whom exactly it applies to. It refers only to the parties participating in the Paris Conference, which are, of course, well known to the parties participating in the Paris Conference. [Laughter.]

It will be signed on two separate pages. The United States and the GVN are signing on one page, and the Democratic Republic of Viet-Nam and its ally are signing on a separate page. And this procedure has aged us all by several years. [Laughter.]

Then there is another document, which will

be signed by the Secretary of State and the Foreign Minister of the Democratic Republic of Viet-Nam in the afternoon. That document, in its operative provisions, is word for word the same as the document which will be signed in the morning and which contains the obligations to which the two South Vietnamese parties are obligated.

It differs from that document only in the preamble and in its concluding paragraph. In the preamble it says the United States, with the concurrence of the Government of the Republic of Viet-Nam, and the DRV, with the concurrence of the Provisional Revolutionary Government, and the rest is the same, and then the concluding paragraph has the same adaptation. That document, of course, is not signed by either Saigon or its opponent, and therefore their obligations are derived from the four-party document.

I do not want to take any time in going into the abstruse legalisms. I simply wanted to explain to you why there were two different signature ceremonies and why, when we handed out the text of the agreement, we appended to the document which contains the legal obligations which apply to everybody—namely, the four parties—why we appended another section that contained a different preamble and a different implementing paragraph which is going to be signed by the Secretary of State and the Foreign Minister of the Democratic Republic of Viet-Nam.

This will be true with respect to the agreement and three of the protocols. The fourth protocol, regarding the removal of mines, applies only to the United States and the Democratic Republic of Viet-Nam, and therefore we are in the happy position of having to sign only one document.

Negotiating Process and Achievements

Now then, let me summarize for you how we got to this point and some of the aspects of the agreement that we consider significant, and then I will answer your questions.

As you know, when I met with this group on December 16, we had to report that the

negotiations in Paris seemed to have reached a stalemate. We had not agreed at that time, although we didn't say so, on the—we could not find a formula to take into account the conflicting views with respect to signing. There were disagreements with respect to the DMZ and with the associated aspects of what identity South Viet-Nam was to have in the agreement.

There was a total deadlock with respect to the protocols, which I summed up in the December 16 press conference. The North Vietnamese approach to international control and ours were so totally at variance that it seemed impossible at that point to come to any satisfactory conclusion. And there began to be even some concern that the separation which we thought we had achieved in October between the release of our prisoners and the question of civilian prisoners in South Viet-Nam was breaking down.

When we reassembled on January 8, we did not do so in the most cordial atmosphere that I remember. However, by the morning of January 9 it became apparent that both sides were determined to make a serious effort to break the deadlock in negotiations. And we adopted a mode of procedure by which issues in the agreement and issues of principle with respect to the protocols were discussed at meetings between Special Advisor Le Duc Tho and myself while concurrently an American team headed by Ambassador Sullivan [William H. Sullivan, Deputy Assistant Secretary of State for East Asian and Pacific Affairs] and a Vietnamese team headed by Vice Minister Thach [Nguyen Co Thach, Vice Minister for Foreign Affairs] would work on the implementation of the principles as they applied to the protocols.

For example, the Special Advisor and I might agree on the principle of border control posts and their number, but then the problem of how to locate them, according to what criteria, and with what mode of operation presented enormous difficulties.

Let me on this occasion also point out that these negotiations required the closest cooperation throughout our government, be-

tween the White House and the State Department, between all the elements of our team, and that therefore the usual speculation of who did what to whom is really extraordinarily misplaced.

Without a cooperative effort by everybody, we could not have achieved what we have presented last night and this morning.

The Special Advisor and I then spent the week first on working out the unresolved issues in the agreement and then the unresolved issues with respect to the protocols and, finally, the surrounding circumstances of schedules and procedures.

Ambassador Sullivan remained behind to draft the implementing provisions of the agreements that had been achieved during the week. The Special Advisor and I remained in close contact.

So by the time we met again yesterday, the issues that remained were very few, indeed, were settled relatively rapidly. And I may on this occasion also point out that while the North Vietnamese are the most difficult people to negotiate with that I have ever encountered when they do not want to settle, they are also the most effective that I have dealt with when they finally decide to settle—so that we have gone through peaks and valleys in these negotiations of extraordinary intensity.

Now then, let me sum up where this agreement has left us—first with respect to what we said we would try to achieve, then with respect to some of its significance, and finally, with respect to the future.

First, when I met this group on October 26 and delivered myself of some epigrammatic phrases, we obviously did not want to give a complete checklist and we did not want to release the agreement as it then stood, because it did not seem to us desirable to provide a checklist against which both sides would then have to measure success and failure in terms of their prestige.

At that time, too, we did not say that it had always been foreseen that there would be another three or four days of negotiation after this tentative agreement had been reached. The reason why we asked for an-

other negotiation was because it seemed to us at that point that for a variety of reasons, which I explained then and again on December 16, those issues could not be settled within the time frame that the North Vietnamese expected.

It is now a matter of history, and it is therefore not essential to go into a debate of on what we based this judgment. But that was the reason why the agreement was not signed on October 31, and not any of the speculations that have been so much in print and on television.

Now, what did we say on October 26 we wanted to achieve? We said, first of all, that we wanted to make sure that the control machinery would be in place at the time of the cease-fire. We did this because we had information that there were plans by the other side to mount a major offensive to coincide with the signing of the cease-fire agreement.

This objective has been achieved by the fact that the protocols will be signed on the same day as the agreement, by the fact that the International Control Commission and the Four-Party Military Commission will meet within 24 hours of the agreement going into effect, or no later than Monday morning, Saigon time, that the regional teams of the International Control Commission will be in place 48 hours thereafter, and that all other teams will be in place within 15 and a maximum of 30 days after that.

Second, we said that we wanted to compress the time interval between the cease-fires we expected in Laos and Cambodia and the cease-fire in Viet-Nam.

For reasons which I have explained to you, we cannot be as specific about the cease-fires in Laos and Cambodia as we can about the agreements that are being signed on Saturday, but we can say with confidence that the formal cease-fire in Laos will go into effect in a considerably shorter period of time than was envisaged in October, and since the cease-fire in Cambodia depends to some extent on developments in Laos, we expect the same to be true there.

We said that certain linguistic ambiguities should be removed. The linguistic ambiguities were produced by the somewhat extraordinary negotiating procedure whereby a change in the English text did not always produce a correlative change in the Vietnamese text. All the linguistic ambiguities to which we referred in October have in fact been removed. At that time I mentioned only one, and therefore I am free to recall it.

I pointed out that the U.S. position had consistently been a rejection of the imposition of a coalition government on the people of South Viet-Nam. I said then that the National Council of Reconciliation was not a coalition government, nor was it conceived as a coalition government.

The Vietnamese language text, however, permitted an interpretation of the words "administrative structure" as applied to the National Council of Reconciliation which would have lent itself to the interpretation that it came close or was identical with a coalition government.

You will find that in the text of this agreement the words "administrative structure" no longer exist and therefore this particular—shall we say—ambiguity has been removed.

I pointed out in October that we had to find a procedure for signing which would be acceptable to all the parties for whom obligations were involved. This has been achieved.

I pointed out on October 26 that we would seek greater precision with respect to certain obligations particularly, without spelling them out, as they applied to the demilitarized zone and to the obligations with respect to Laos and Cambodia. That, too, has been achieved.

And I pointed out in December that we were looking for some means, some expression, which would make clear that the two parts of Viet-Nam would live in peace with each other and that neither side would impose its solution on the other by force.

This is now explicitly provided, and we have achieved formulations in which in a number of the paragraphs, such as article 14, 18(e), and 20, there are specific refer-

ences to the sovereignty of South Viet-Nam.

There are specific references, moreover, to the same thing in article 6 and article 11 of the ICCS [International Commission of Control and Supervision] protocol. There are specific references to the right of the South Vietnamese people to self-determination.

And therefore we believe that we have achieved the substantial adaptations that we asked for on October 26. We did not increase our demands after October 26, and we substantially achieved the clarifications which we sought.

Now then, it is obvious that a war that has lasted for 10 years will have many elements that cannot be completely satisfactory to all the parties concerned. And in the two periods where the North Vietnamese were working with dedication and seriousness on a conclusion, the period in October and the period after we resumed talks on January 8, it was always clear that a lasting peace could come about only if neither side sought to achieve everything that it had wanted; indeed, that stability depended on the relative satisfaction and therefore on the relative dissatisfaction of all of the parties concerned. And therefore it is also clear that whether this agreement brings a lasting peace or not depends not only on its provisions but also on the spirit in which it is implemented.

It will be our challenge in the future to move the controversies that could not be stilled by any one document from the level of military conflict to the level of positive human aspirations, and to absorb the enormous talents and dedication of the people of Indochina in tasks of construction, rather than in tasks of destruction.

We will make a major effort to move to create a framework where we hope in a short time the animosities and the hatred and the suffering of this period will be seen as aspects of the past and where the debates concern differences of opinion as to how to achieve positive goals.

Of course the hatreds will not rapidly disappear, and of course people who have fought for 25 years will not easily give up their objectives, but also people who have

suffered for 25 years may at last come to know that they can achieve their real satisfaction by other and less brutal means.

The President said yesterday that we have to remain vigilant, and so we shall, but we shall also dedicate ourselves to positive efforts. And as for us at home, it should be clear by now that no one in this war has had a monopoly of anguish and that no one in these debates has had a monopoly of moral insight. And now that at last we have achieved an agreement in which the United States did not prescribe the political future to its allies, an agreement which should preserve the dignity and the self-respect of all of the parties, together with healing the wounds in Indochina we can begin to heal the wounds in America.

I will be glad to answer any questions.

Q. Dr. Kissinger, what, if any, supervision do you envisage over the Ho Chi Minh Trail by an international agency?

Dr. Kissinger: We expect that the International Control Commission that exists in Laos will be reinstituted. We have also provided for the establishment of border teams, as you can see from the maps, at all the terminal points of the Ho Chi Minh Trail into South Viet-Nam. And therefore, we believe that there will be international supervision of the provisions, both within Laos and within South Viet-Nam.

Marvin [Marvin Kalb, CBS News].

Q. Dr. Kissinger, one of the major problems has been the continued presence of North Vietnamese troops in the South. Could you tell us, first, so far as you know, how many of these troops are there in the South now, and do you have any understanding or assurance that these troops will be withdrawn?

Dr. Kissinger: Our estimate of the number of North Vietnamese troops in the South is approximately 145,000. Now, I want to say a number of things with respect to this.

First, nothing in the agreement establishes the right of North Vietnamese troops to be in the South.

Secondly, the North Vietnamese have

never claimed that they have a right to have troops in the South, and while opinions may differ about the exact accuracy of that statement, from a legal point of view it is important because it maintains the distinction that we, too, maintain.

Thirdly, if this agreement is implemented, the North Vietnamese troops in the South should, over a period of time, be subject to considerable reduction. First, there is a flat prohibition against the introduction of any outside forces for any reason whatsoever, so that the normal attrition of personnel cannot be made up by the reinfiltration of outside forces. I am talking now about the provisions of the agreement. Secondly, there is a flat prohibition against the presence of foreign forces in Laos and Cambodia and therefore a flat prohibition against the use of the normal infiltration corridors. Thirdly, as the agreement makes clear, military movement of any kind across the demilitarized zone is prohibited, both in the clause requiring respect for the demilitarized zone, which by definition excludes military personnel, and second, in the clause that says only modalities of civilian movement can be discussed, not of any other movement between North and South Viet-Nam. Fourth, there is a provision requiring the reduction and demobilization of forces on both sides, the major part of which on the South Vietnamese (Communist) side is believed, by all knowledgeable observers, to have arrived from outside of South Viet-Nam.

Therefore it is our judgment that there is no way that North Viet-Nam can live up to that agreement without there being a reduction of the North Vietnamese forces in South Viet-Nam, without this being explicitly stated.

Of course, it is not inconceivable that the agreement will not in all respects be lived up to. In that case, adding another clause that will not be lived up to, specifically requiring it, would not change the situation.

It is our judgment and our expectation—it is our expectation that the agreement will be lived up to, and therefore we believe that the problem of these forces will be

taken care of by the evolution of events in South Viet-Nam.

Peter [Peter Lisagor, Chicago Daily News].

Q. Dr. Kissinger, can I try to get a clarification of just that point? Several times, I think, you have said it is understood that North Vietnamese troops in Laos and Cambodia are considered foreign troops.

Dr. Kissinger: That is right.

Q. Are they so considered?

Dr. Kissinger: I said it once, Peter.

Q. You said it in answer to Marvin's question, but is it so considered in South Viet-Nam? Is North Viet-Nam a foreign entity in South Viet-Nam according to this agreement?

Dr. Kissinger: This is one of the points on which the bitterest feeling rages and with which it is best not to deal in a formal and legalistic manner.

As I have pointed out, in this agreement there are repeated references to the identity of South Viet-Nam, to the fact that the South Vietnamese people's right of self-determination is recognized both by the DRV and by the United States, to the fact that North and South Viet-Nam shall settle their disputes peacefully and through negotiation, and other provisions of a similar kind.

Therefore it is clear there is no legal way by which North Viet-Nam can use military force against South Viet-Nam.

Now, whether that is due to the fact that there are two zones temporarily divided by a provisional demarcation line or because North Viet-Nam is a foreign country with relation to South Viet-Nam—that is an issue which we have avoided making explicit in the agreement and in which ambiguity has its merits. From the point of view of the international position and from the point of view of the obligations of the agreement, there is no legal way by which North Viet-Nam can use military force vis-a-vis South Viet-Nam to achieve its objectives.

Q. Dr. Kissinger, on that subject, by what means was the United States able to con-

vince President Thieu to accept the presence of North Vietnamese troops in South Viet-Nam?

Dr. Kissinger: First of all, it is not easy to achieve through negotiations what has not been achieved on the battlefield, and if you look at the settlements that have been made in the postwar period, the lines of demarcation have almost always followed the lines of actual control.

Secondly, we have taken the position throughout that the agreement cannot be analyzed in terms of any one of its provisions, but it has to be seen in its totality and in terms of the evolution that it starts.

Thirdly, we have not asked President Thieu, nor has he accepted, the presence of North Vietnamese troops in South Viet-Nam as a legal right, nor do we accept that as a legal right.

We have, since October 1970, proposed a cease-fire-in-place. A cease-fire-in-place always has to be between the forces that exist. The alternative of continued war also would have maintained the forces in the country.

Under these conditions, they are cut off from the possibility of renewed infiltration. They are prevented from undertaking military action. Their resupply is severely restricted.

And President Thieu, after examining the totality of the agreement, came to the conclusion that it achieved the essential objectives of South Viet-Nam, of permitting his people to bring about self-determination and of not posing a security risk that he could not handle with the forces that we have equipped and trained.

Mr. Horner [Garnett D. Horner, Washington Star-News].

Q. Because of a news report from Paris this morning that actually there were some 15 or 20 protocols, of which only four are being made public, were there any secret protocols agreed to?

Dr. Kissinger: The only protocols that exist are the protocols that have been made public.

Q. What about understandings?

Dr. Kissinger: There are, with respect to certain phrases, read into the record certain statements as to what they mean, but these have been explained in these briefings and made clear.

There are no secret understandings.

Q. Dr. Kissinger, it has been widely speculated that the 12-day saturation bombing of the North was the key to achieving the agreement that you found acceptable. Was it, and if not, what was?

Dr. Kissinger: I was asked in October whether the bombing or mining of May 8 brought about the breakthrough in October, and I said then that I did not want to speculate on North Vietnamese motives. I have too much trouble analyzing our own.

I will give the same answer to your question, but I will say that there was a deadlock which was described in the middle of December, and there was a rapid movement when negotiations resumed on the technical level on January 3 (January 2) and on the substantive level on January 8. These facts have to be analyzed by each person for himself.

I want to make one point with respect to the question about understandings. It is obvious that when I speak with some confidence about certain developments that happen with respect to Laos and other places, that this must be based on exchanges that have taken place, but for obvious reasons I cannot go further into them.

The formal obligations of the parties have all been revealed, and there are no secret formal obligations.

Q. Dr. Kissinger, the dollar amount put on the amount to which the United States is committed in rebuilding—this construction you referred to in North Viet-Nam or reparations or whatever it is to be—is there any dollar amount suggested?

Dr. Kissinger: We will discuss the issue of economic reconstruction of all of Indochina, including North Viet-Nam, only after the signature of the agreements and after the implementation is well advanced. And the definition of any particular sum will have to await the discussions which will take place after the agreements are in force.

Q. Dr. Kissinger, is there any understanding with the Soviet Union or with Communist China that they will take part in an international conference or will help toward the preservation of this framework of the agreement?

Dr. Kissinger: Formal invitations to the international conference have not yet been extended. But we expect both the Soviet Union and the People's Republic of China to participate in the international conference which will take place within 30 days of the signature of the agreement.

We have reason to believe that both of these countries will participate in this conference.

Now, with respect to their willingness to help this agreement become viable, it is, of course, clear that peace in Indochina requires the self-restraint of all of the major countries and especially of those countries which on all sides have supplied the wherewithal for this conflict.

We, on our part, are prepared to exercise such restraint; we believe that the other countries, the Soviet Union and the People's Republic of China, can make a very major contribution to peace in Indochina by exercising similar restraint.

Q. If a peace treaty is violated and if the ICC proves ineffective, will the United States ever again send troops into Viet-Nam?

Dr. Kissinger: I don't want to speculate on hypothetical situations that we don't expect to arise.

Q. Dr. Kissinger, what agreement or understanding is there on the role that will be played by the so-called neutralist or third-force groups in Viet-Nam in the National Council of Reconciliation?

Dr. Kissinger: We have taken the position throughout that the future political evolution of South Viet-Nam should be left, to the greatest extent possible, to the South Vietnamese themselves and should not be predetermined by the United States.

Therefore, there is no understanding in any detail on the role of any particular force

in South Viet-Nam. The United States has always taken the view that it favored free elections, but on the whole, the essence of this agreement is to leave the political evolution of South Viet-Nam to negotiation among the various South Vietnamese parties or factions.

Q. Dr. Kissinger, about a year ago, President Nixon outlined a peace proposal which included a provision for President Thieu to resign prior to elections. Is there any similar provision in this agreement?

Dr. Kissinger: That proposal was in a somewhat different context. In any event, there is no such provision in this agreement and this, again, is a matter that will have to be decided by the Vietnamese parties within the context of whatever negotiation they have, but there is no requirement of any kind like this in the agreement.

Q. Dr. Kissinger, when do you expect the first American planes to arrive in Hanoi to pick up the prisoners?

Dr. Kissinger: Our expectation is that the withdrawals, as well as the release of prisoners, will take place in roughly equal increments of 15 days over the 60-day period, so within 15 days of January 27. That is the outside time. It could be faster.

Q. I wanted to know the earliest time.

Dr. Kissinger: I can't give any earlier time than within 15 days.

Q. Dr. Kissinger, you have addressed yourself to this general area before, but the question keeps coming up. Would you just review for us briefly how you feel that the agreement that you have reached differs from one that could have been reached, say, four years ago?

Dr. Kissinger: Four years ago the North Vietnamese totally refused to separate political and military issues. Four years ago the North Vietnamese insisted that as a condition to negotiations the existing governmental structure in South Viet-Nam would have to be disbanded, and only after this governmental structure had been disbanded and a different one had been installed would they even discuss, much less implement, any of the other provisions of the agreement.

Therefore, until October 8 of this year, all of the various schemes that were constantly being discussed foundered on the one root factor of the situation—that the North Vietnamese, until October 8 of this year, demanded that a political victory be handed to them as a precondition for a discussion of all military questions. But in that case, all military questions would have become totally irrelevant because there was no longer the political structure to which they could apply.

It was not until October 8 this year that the North Vietnamese ever agreed to separate these two aspects of the problem, and as soon as this was done, we moved rapidly.

Then, there was the second phase, which I have described, which included the changes that were made between October and January, which produced this agreement.

Q. Dr. Kissinger, earlier you said that as of December 16 there were various disagreements which you then listed, and the first one was the question of the demilitarized zone and associated aspects over what identity South Viet-Nam should have under the agreement. Can you elaborate on this, and most particularly, can you elaborate on it from the standpoint of whether you are referring here to President Thieu's objections?

Dr. Kissinger: I have made clear what exactly was involved. We have here several separate issues. One, is there such a thing as a South Viet-Nam, even temporarily, until unification? Secondly, who is the legitimate ruler of South Viet-Nam? This is what the civil war has been all about. Thirdly, what is the demarcation line that separates North Viet-Nam from South Viet-Nam?

Now, we believe that the agreement defines adequately the demarcation line. It defines adequately what the identity is to which we refer. It leaves open to negotiation among the parties the political evolution of South Viet-Nam and therefore the definition of what ultimately will be considered by all South Vietnamese the legitimate ruler.

The President made clear yesterday that as far as the United States is concerned, we recognize President Thieu. This is a situation

that has existed in other countries. And these were the three principal issues involved, of which two have international significance and were settled within the agreement, and the third has significance in terms of the political evolution of South Viet-Nam, and that has been left to the self-determination of the South Vietnamese people.

As to the question of President Thieu's objections, comments, and so forth, we said on October 26 that obviously in a war fought in South Viet-Nam, in a war that has had hundreds of thousands of casualties of South Vietnamese, enormous devastation within South Viet-Nam, it stands to reason that the views of our allies will have to be considered. There is nothing wrong or immoral for them to have such views.

Secondly, their perception of the risks has to be different from our perception of the risks. We are 12,000 miles away. If we make a mistake in our assessment of the situation, it will be painful. If they make a mistake in the assessment of the situation, it can be fatal. And therefore, they have had a somewhat less flexible attitude. Where we in some respects have at some points been content with more ambiguous formulations, they were not.

Nevertheless, it is also obvious to any reader of the Saigon press and of their official communications that we did not accept all of their comments and that we carried out precisely what the President had said and what was said at the various press conferences in which I presented the U.S. Government view; namely, that we would make the final determination as to when the American participation in the war should end.

Those parts of their comments that we thought were reasonable we made our own; those that we did not, we did not. And once we had achieved an agreement with the North Vietnamese that we considered fair and just and honorable, we presented it with great energy and conviction in Saigon.

Q. This is what I am asking you, doctor. You say you made some of his points your points. What did he get in January that he didn't have in October?

Dr. Kissinger: I do not want to discuss what he got. I pointed out the list of objectives we set ourselves in October and what was achieved. I pointed out the changes that were achieved between October and January. We believe them to be substantial, and I do not want to make a checklist of saying which originated in Saigon or which originated in Washington.

Q. Dr. Kissinger, did you personally feel strengthened in the negotiations as a result of the saturation bombing?

Dr. Kissinger: The term "saturation bombing" has certain connotations. We carried out what was considered to be necessary at the time in order to make clear that the United States could not stand for an indefinite delay in the negotiations.

My role in the negotiations was to present the American point of view. I can only say that we resumed the negotiations on January 8 and the breakthrough occurred on January 9, and I will let those facts speak for themselves.

Q. Dr. Kissinger, what is now the extent and the nature of the American commitment to South Viet-Nam?

Dr. Kissinger: The United States, as the President said, will continue economic aid to South Viet-Nam. It will continue that military aid which is permitted by the agreement. The United States is prepared to gear that military aid to the actions of other countries and not to treat it as an end in itself.

And the United States expects all countries to live up to the provisions of the agreement.

Q. Dr. Kissinger, you say, "The two South Vietnamese parties shall be permitted to make periodic replacements of armaments, munitions and war materials which have been destroyed." Why do we have to put any more materials in there? Why should they be in there, and will these materials come from the United States or what countries?

Dr. Kissinger: Let's separate two things: what is permitted by the agreement and what we shall do. What is permitted by the

agreement is that military equipment that, as you read, is destroyed, worn out, used up, or damaged can be replaced.

The reason for that provision is that if for any reason the war should start at any level, it would be an unfair restriction on our South Vietnamese allies to prohibit them from replacing their weapons if their enemies are able to do so.

The degree, therefore, to which these weapons have to be replaced will depend on the degree to which there is military activity. If there is no military activity in South Viet-Nam, then the number of weapons that are destroyed, damaged, or worn out will of course be substantially less than in other circumstances.

Secondly, what will be the U.S. position? This depends on the overall situation. If there is no military activity, if other countries do not introduce massive military equipment into Viet-Nam, we do not consider it an end in itself to give military aid. But we believe that it would be unfair and wrong for one country to be armed by its allies while the other one has no right to do so. This is what will govern our actions.

Q. Dr. Kissinger, what is the plan for the rather sizable U.S. military force offshore in warships off South Viet-Nam and also B-52 bases in Thailand? Will these forces be reduced, and is there an understanding with the North Vietnamese that you have not mentioned to us here that would reduce those forces?

Dr. Kissinger: There is no restriction on American military forces that is not mentioned in the agreement. One would expect, as time goes on, that the deployment of our naval forces will take account of the new situation.

As you know, we have kept many of our forces on station for longer than the normal period of time, and we have had more carriers in the area than before, but this is not required by the agreement and this is simply a projection of what might happen.

The same is true with respect to Thailand. There are no restrictions on our forces in

Thailand. It has always been part of the Nixon doctrine that the deployment of our forces would be related to the degree of the danger and has not an abstract quality of its own.

So that as a general rule one can say that in the initial phases of the agreement, before one knows how it will be implemented, the deployment will be more geared to the war situation, and as the agreement is being implemented, the conditions of peace will have a major impact on it. But this is simply a projection of our normal policy and is not an outgrowth required by the agreement.

The press: Thank you, Dr. Kissinger.

TEXTS OF AGREEMENT AND PROTOCOLS

Text of Agreement

White House press release dated January 24

AGREEMENT ON ENDING THE WAR AND RESTORING PEACE IN VIETNAM

The Parties participating in the Paris Conference on Vietnam,

With a view to ending the war and restoring peace in Vietnam on the basis of respect for the Vietnamese people's fundamental national rights and the South Vietnamese people's right to self-determination, and to contributing to the consolidation of peace in Asia and the world,

Have agreed on the following provisions and undertake to respect and to implement them:

Chapter I

THE VIETNAMESE PEOPLE'S FUNDAMENTAL NATIONAL RIGHTS

Article 1

The United States and all other countries respect the independence, sovereignty, unity, and territorial integrity of Vietnam as recognized by the 1954 Geneva Agreements on Vietnam.

Chapter II

CESSATION OF HOSTILITIES—WITHDRAWAL OF TROOPS

Article 2

A cease-fire shall be observed throughout South Vietnam as of 2400 hours G.M.T., on January 27, 1973.

At the same hour, the United States will stop all its military activities against the territory of the Democratic Republic of Vietnam by ground, air and naval forces, wherever they may be based, and end

the mining of the territorial waters, ports, harbors, and waterways of the Democratic Republic of Vietnam. The United States will remove, permanently deactivate or destroy all the mines in the territorial waters, ports, harbors, and waterways of North Vietnam as soon as this Agreement goes into effect.

The complete cessation of hostilities mentioned in this Article shall be durable and without limit of time.

Article 3

The parties undertake to maintain the cease-fire and to ensure a lasting and stable peace.

As soon as the cease-fire goes into effect:

(a) The United States forces and those of the other foreign countries allied with the United States and the Republic of Vietnam shall remain in-place pending the implementation of the plan of troop withdrawal. The Four-Party Joint Military Commission described in Article 16 shall determine the modalities.

(b) The armed forces of the two South Vietnamese parties shall remain in-place. The Two-Party Joint Military Commission described in Article 17 shall determine the areas controlled by each party and the modalities of stationing.

(c) The regular forces of all services and arms and the irregular forces of the parties in South Vietnam shall stop all offensive activities against each other and shall strictly abide by the following stipulations:

—All acts of force on the ground, in the air, and on the sea shall be prohibited;

—All hostile acts, terrorism and reprisals by both sides will be banned.

Article 4

The United States will not continue its military involvement or intervene in the internal affairs of South Vietnam.

Article 5

Within sixty days of the signing of this Agreement, there will be a total withdrawal from South Vietnam of troops, military advisers, and military personnel, including technical military personnel and military personnel associated with the pacification program, armaments, munitions, and war material of the United States and those of the other foreign countries mentioned in Article 3 (a). Advisers from the above-mentioned countries to all paramilitary organizations and the police force will also be withdrawn within the same period of time.

Article 6

The dismantlement of all military bases in South Vietnam of the United States and of the other foreign countries mentioned in Article 3 (a) shall be completed within sixty days of the signing of this Agreement.

Article 7

From the enforcement of the cease-fire to the

formation of the government provided for in Articles 9 (b) and 14 of this Agreement, the two South Vietnamese parties shall not accept the introduction of troops, military advisers, and military personnel including technical military personnel, armaments, munitions, and war material into South Vietnam.

The two South Vietnamese parties shall be permitted to make periodic replacement of armaments, munitions and war material which have been destroyed, damaged, worn out or used up after the cease-fire, on the basis of piece-for-piece, of the same characteristics and properties, under the supervision of the Joint Military Commission of the two South Vietnamese parties and of the International Commission of Control and Supervision.

Chapter III

THE RETURN OF CAPTURED MILITARY PERSONNEL AND FOREIGN CIVILIANS, AND CAPTURED AND DETAINED VIETNAMESE CIVILIAN PERSONNEL

Article 8

(a) The return of captured military personnel and foreign civilians of the parties shall be carried out simultaneously with and completed not later than the same day as the troop withdrawal mentioned in Article 5. The parties shall exchange complete lists of the above-mentioned captured military personnel and foreign civilians on the day of the signing of this Agreement.

(b) The parties shall help each other to get information about those military personnel and foreign civilians of the parties missing in action, to determine the location and take care of the graves of the dead so as to facilitate the exhumation and repatriation of the remains, and to take any such other measures as may be required to get information about those still considered missing in action.

(c) The question of the return of Vietnamese civilian personnel captured and detained in South Vietnam will be resolved by the two South Vietnamese parties on the basis of the principles of Article 21 (b) of the Agreement on the Cessation of Hostilities in Vietnam of July 20, 1954. The two South Vietnamese parties will do so in a spirit of national reconciliation and concord, with a view to ending hatred and enmity, in order to ease suffering and to reunite families. The two South Vietnamese parties will do their utmost to resolve this question within ninety days after the cease-fire comes into effect.

Chapter IV

THE EXERCISE OF THE SOUTH VIETNAMESE PEOPLE'S RIGHT TO SELF-DETERMINATION

Article 9

The Government of the United States of America and the Government of the Democratic Republic of Vietnam undertake to respect the following principles for the exercise of the South Vietnamese people's right to self-determination:

(a) The South Vietnamese people's right to self-

determination is sacred, inalienable, and shall be respected by all countries.

(b) The South Vietnamese people shall decide themselves the political future of South Vietnam through genuinely free and democratic general elections under international supervision.

(c) Foreign countries shall not impose any political tendency or personality on the South Vietnamese people.

Article 10

The two South Vietnamese parties undertake to respect the cease-fire and maintain peace in South Vietnam, settle all matters of contention through negotiations, and avoid all armed conflict.

Article 11

Immediately after the cease-fire, the two South Vietnamese parties will:

—achieve national reconciliation and concord, end hatred and enmity, prohibit all acts of reprisal and discrimination against individuals or organizations that have collaborated with one side or the other;

—ensure the democratic liberties of the people: personal freedom, freedom of speech, freedom of the press, freedom of meeting, freedom of organization, freedom of political activities, freedom of belief, freedom of movement, freedom of residence, freedom of work, right to property ownership, and right to free enterprise.

Article 12

(a) Immediately after the cease-fire, the two South Vietnamese parties shall hold consultations in a spirit of national reconciliation and concord, mutual respect, and mutual non-elimination to set up a National Council of National Reconciliation and Concord of three equal segments. The Council shall operate on the principle of unanimity. After the National Council of National Reconciliation and Concord has assumed its functions, the two South Vietnamese parties will consult about the formation of councils at lower levels. The two South Vietnamese parties shall sign an agreement on the internal matters of South Vietnam as soon as possible and do their utmost to accomplish this within ninety days after the cease-fire comes into effect, in keeping with the South Vietnamese people's aspirations for peace, independence and democracy.

(b) The National Council of National Reconciliation and Concord shall have the task of promoting the two South Vietnamese parties' implementation of this Agreement, achievement of national reconciliation and concord and ensurance of democratic liberties. The National Council of National Reconciliation and Concord will organize the free and democratic general elections provided for in Article 9 (b) and decide the procedures and modalities of these general elections. The institutions for which the general elections are to be held will be agreed upon through consultations between the two South

Vietnamese parties. The National Council of National Reconciliation and Concord will also decide the procedures and modalities of such local elections as the two South Vietnamese parties agree upon.

Article 13

The question of Vietnamese armed forces in South Vietnam shall be settled by the two South Vietnamese parties in a spirit of national reconciliation and concord, equality and mutual respect, without foreign interference, in accordance with the postwar situation. Among the questions to be discussed by the two South Vietnamese parties are steps to reduce their military effectives and to demobilize the troops being reduced. The two South Vietnamese parties will accomplish this as soon as possible.

Article 14

South Vietnam will pursue a foreign policy of peace and independence. It will be prepared to establish relations with all countries irrespective of their political and social systems on the basis of mutual respect for independence and sovereignty and accept economic and technical aid from any country with no political conditions attached. The acceptance of military aid by South Vietnam in the future shall come under the authority of the government set up after the general elections in South Vietnam provided for in Article 9 (b).

Chapter V

THE REUNIFICATION OF VIETNAM AND THE RELATIONSHIP BETWEEN NORTH AND SOUTH VIETNAM

Article 15

The reunification of Vietnam shall be carried out step by step through peaceful means on the basis of discussions and agreements between North and South Vietnam, without coercion or annexation by either party, and without foreign interference. The time for reunification will be agreed upon by North and South Vietnam.

Pending reunification:

(a) The military demarcation line between the two zones at the 17th parallel is only provisional and not a political or territorial boundary, as provided for in paragraph 6 of the Final Declaration of the 1954 Geneva Conference.

(b) North and South Vietnam shall respect the Demilitarized Zone on either side of the Provisional Military Demarcation Line.

(c) North and South Vietnam shall promptly start negotiations with a view to reestablishing normal relations in various fields. Among the questions to be negotiated are the modalities of civilian movement across the Provisional Military Demarcation Line.

(d) North and South Vietnam shall not join any military alliance or military bloc and shall not allow foreign powers to maintain military bases, troops, military advisers, and military personnel on

their respective territories, as stipulated in the 1954 Geneva Agreements on Vietnam.

Chapter VI

THE JOINT MILITARY COMMISSIONS, THE INTERNATIONAL COMMISSION OF CONTROL AND SUPERVISION, THE INTERNATIONAL CONFERENCE

Article 16

(a) The Parties participating in the Paris Conference on Vietnam shall immediately designate representatives to form a Four-Party Joint Military Commission with the task of ensuring joint action by the parties in implementing the following provisions of this Agreement:

—The first paragraph of Article 2, regarding the enforcement of the cease-fire throughout South Vietnam;

—Article 3 (a), regarding the cease-fire by U.S. forces and those of the other foreign countries referred to in that Article;

—Article 3 (c), regarding the cease-fire between all parties in South Vietnam;

—Article 5, regarding the withdrawal from South Vietnam of U.S. troops and those of the other foreign countries mentioned in Article 3 (a);

—Article 6, regarding the dismantlement of military bases in South Vietnam of the United States and those of the other foreign countries mentioned in Article 3 (a);

—Article 8 (a), regarding the return of captured military personnel and foreign civilians of the parties;

—Article 8 (b), regarding the mutual assistance of the parties in getting information about those military personnel and foreign civilians of the parties missing in action.

(b) The Four-Party Joint Military Commission shall operate in accordance with the principle of consultations and unanimity. Disagreements shall be referred to the International Commission of Control and Supervision.

(c) The Four-Party Joint Military Commission shall begin operating immediately after the signing of this Agreement and end its activities in sixty days, after the completion of the withdrawal of U.S. troops and those of the other foreign countries mentioned in Article 3 (a) and the completion of the return of captured military personnel and foreign civilians of the parties.

(d) The four parties shall agree immediately on the organization, the working procedure, means of activity, and expenditures of the Four-Party Joint Military Commission.

Article 17

(a) The two South Vietnamese parties shall immediately designate representatives to form a Two-Party Joint Military Commission with the task of ensuring joint action by the two South Vietnamese

parties in implementing the following provisions of this Agreement:

—The first paragraph of Article 2, regarding the enforcement of the cease-fire throughout South Vietnam, when the Four-Party Joint Military Commission has ended its activities;

—Article 3 (b), regarding the cease-fire between the two South Vietnamese parties;

—Article 3 (c), regarding the cease-fire between all parties in South Vietnam, when the Four-Party Joint Military Commission has ended its activities;

—Article 7, regarding the prohibition of the introduction of troops into South Vietnam and all other provisions of this article;

—Article 8 (c), regarding the question of the return of Vietnamese civilian personnel captured and detained in South Vietnam;

—Article 13, regarding the reduction of the military effectives of the two South Vietnamese parties and the demobilization of the troops being reduced.

(b) Disagreements shall be referred to the International Commission of Control and Supervision.

(c) After the signing of this Agreement, the Two-Party Joint Military Commission shall agree immediately on the measures and organization aimed at enforcing the cease-fire and preserving peace in South Vietnam.

Article 18

(a) After the signing of this Agreement, an International Commission of Control and Supervision shall be established immediately.

(b) Until the International Conference provided for in Article 19 makes definitive arrangements, the International Commission of Control and Supervision will report to the four parties on matters concerning the control and supervision of the implementation of the following provisions of this Agreement:

—The first paragraph of Article 2, regarding the enforcement of the cease-fire throughout South Vietnam;

—Article 3 (a), regarding the cease-fire by U.S. forces and those of the other foreign countries referred to in that Article;

—Article 3 (c), regarding the cease-fire between all the parties in South Vietnam;

—Article 5, regarding the withdrawal from Vietnam of U.S. troops and those of the other foreign countries mentioned in Article 3 (a);

—Article 6, regarding the dismantlement of military bases in South Vietnam of the United States and those of the other foreign countries mentioned in Article 3 (a);

—Article 8 (a), regarding the return of captured military personnel and foreign civilians of the parties.

The International Commission of Control and Supervision shall form control teams for carrying

out its tasks. The four parties shall agree immediately on the location and operation of these teams. The parties will facilitate their operation.

(c) Until the International Conference makes definitive arrangements, the International Commission of Control and Supervision will report to the two South Vietnamese parties on matters concerning the control and supervision of the implementation of the following provisions of this Agreement:

—The first paragraph of Article 2, regarding the enforcement of the cease-fire throughout South Vietnam, when the Four-Party Joint Military Commission has ended its activities;

—Article 3 (b), regarding the cease-fire between the two South Vietnamese parties;

—Article 3 (c), regarding the cease-fire between all parties in South Vietnam, when the Four-Party Joint Military Commission has ended its activities;

—Article 7, regarding the prohibition of the introduction of troops into South Vietnam and all other provisions of this Article;

—Article 8 (c), regarding the question of the return of Vietnamese civilian personnel captured and detained in South Vietnam;

—Article 9 (b), regarding the free and democratic general elections in South Vietnam;

—Article 13, regarding the reduction of the military effectives of the two South Vietnamese parties and the demobilization of the troops being reduced.

The International Commission of Control and Supervision shall form control teams for carrying out its tasks. The two South Vietnamese parties shall agree immediately on the location and operation of these teams. The two South Vietnamese parties will facilitate their operation.

(d) The International Commission of Control and Supervision shall be composed of representatives of four countries: Canada, Hungary, Indonesia and Poland. The chairmanship of this Commission will rotate among the members for specific periods to be determined by the Commission.

(e) The International Commission of Control and Supervision shall carry out its tasks in accordance with the principle of respect for the sovereignty of South Vietnam.

(f) The International Commission of Control and Supervision shall operate in accordance with the principle of consultations and unanimity.

(g) The International Commission of Control and Supervision shall begin operating when a cease-fire comes into force in Vietnam. As regards the provisions in Article 18 (b) concerning the four parties, the International Commission of Control and Supervision shall end its activities when the Commission's tasks of control and supervision regarding these provisions have been fulfilled. As regards the provisions in Article 18 (c) concerning the two South Vietnamese parties, the International Commission of Control and Supervision shall end

its activities on the request of the government formed after the general elections in South Vietnam provided for in Article 9 (b).

(h) The four parties shall agree immediately on the organization, means of activity, and expenditures of the International Commission of Control and Supervision. The relationship between the International Commission and the International Conference will be agreed upon by the International Commission and the International Conference.

Article 19

The parties agree on the convening of an International Conference within thirty days of the signing of this Agreement to acknowledge the signed agreements; to guarantee the ending of the war, the maintenance of peace in Vietnam, the respect of the Vietnamese people's fundamental national rights, and the South Vietnamese people's right to self-determination; and to contribute to and guarantee peace in Indochina.

The United States and the Democratic Republic of Vietnam, on behalf of the parties participating in the Paris Conference on Vietnam, will propose to the following parties that they participate in this International Conference: the People's Republic of China, the Republic of France, the Union of Soviet Socialist Republics, the United Kingdom, the four countries of the International Commission of Control and Supervision, and the Secretary General of the United Nations, together with the parties participating in the Paris Conference on Vietnam.

Chapter VII

REGARDING CAMBODIA AND LAOS

Article 20

(a) The parties participating in the Paris Conference on Vietnam shall strictly respect the 1954 Geneva Agreements on Cambodia and the 1962 Geneva Agreements on Laos, which recognized the Cambodian and the Lao peoples' fundamental national rights, i.e., the independence, sovereignty, unity, and territorial integrity of these countries. The parties shall respect the neutrality of Cambodia and Laos.

The parties participating in the Paris Conference on Vietnam undertake to refrain from using the territory of Cambodia and the territory of Laos to encroach on the sovereignty and security of one another and of other countries.

(b) Foreign countries shall put an end to all military activities in Cambodia and Laos, totally withdraw from and refrain from reintroducing into these two countries troops, military advisers and military personnel, armaments, munitions and war material.

(c) The internal affairs of Cambodia and Laos shall be settled by the people of each of these countries without foreign interference.

(d) The problems existing between the Indo-

chinese countries shall be settled by the Indochinese parties on the basis of respect for each other's independence, sovereignty, and territorial integrity, and non-interference in each other's internal affairs.

Chapter VIII

THE RELATIONSHIP BETWEEN THE UNITED STATES AND THE DEMOCRATIC REPUBLIC OF VIETNAM

Article 21

The United States anticipates that this Agreement will usher in an era of reconciliation with the Democratic Republic of Vietnam as with all the peoples of Indochina. In pursuance of its traditional policy, the United States will contribute to healing the wounds of war and to postwar reconstruction of the Democratic Republic of Vietnam and throughout Indochina.

Article 22

The ending of the war, the restoration of peace in Vietnam, and the strict implementation of this Agreement will create conditions for establishing a new, equal and mutually beneficial relationship between the United States and the Democratic Republic of Vietnam on the basis of respect for each other's independence and sovereignty, and non-interference in each other's internal affairs. At the same time this will ensure stable peace in Vietnam and contribute to the preservation of lasting peace in Indochina and Southeast Asia.

Chapter IX

OTHER PROVISIONS

Article 23

This Agreement shall enter into force upon signature by plenipotentiary representatives of the parties participating in the Paris Conference on Vietnam. All the parties concerned shall strictly implement this Agreement and its Protocols.

DONE in Paris this twenty-seventh day of January, One Thousand Nine Hundred and Seventy-Three, in Vietnamese and English. The Vietnamese and English texts are official and equally authentic.

[Separate Numbered Page]

For the Government of the United States of America	For the Government of the Republic of Vietnam
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WILLIAM P. ROGERS
Secretary of State

TRAN VAN LAM
*Minister for Foreign
Affairs*

[Separate Numbered Page]

For the Government of the Democratic Republic of Vietnam	For the Provisional Rev- olutionary Government of the Republic of South Vietnam
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NGUYEN DUY TRINH
*Minister for Foreign
Affairs*

NGUYEN THI BINH
*Minister for Foreign
Affairs*

AGREEMENT ON ENDING THE WAR AND RESTORING PEACE IN VIETNAM

The Government of the United States of America, with the concurrence of the Government of the Republic of Vietnam,

The Government of the Democratic Republic of Vietnam, with the concurrence of the Provisional Revolutionary Government of the Republic of South Vietnam,

With a view to ending the war and restoring peace in Vietnam on the basis of respect for the Vietnamese people's fundamental national rights and the South Vietnamese people's right to self-determination, and to contributing to the consolidation of peace in Asia and the world,

Have agreed on the following provisions and undertake to respect and to implement them:

[Text of Agreement Chapters I-VIII Same As Above]

Chapter IX

OTHER PROVISIONS

Article 23

The Paris Agreement on Ending the War and Restoring Peace in Vietnam shall enter into force upon signature of this document by the Secretary of State of the Government of the United States of America and the Minister for Foreign Affairs of the Government of the Democratic Republic of Vietnam, and upon signature of a document in the same terms by the Secretary of State of the Government of the United States of America, the Minister for Foreign Affairs of the Government of the Republic of Vietnam, the Minister for Foreign Affairs of the Government of the Democratic Republic of Vietnam, and the Minister for Foreign Affairs of the Provisional Revolutionary Government of the Republic of South Vietnam. The Agreement and the protocols to it shall be strictly implemented by all the parties concerned.

DONE in Paris this twenty-seventh day of January, One Thousand Nine Hundred and Seventy-Three, in Vietnamese and English. The Vietnamese and English texts are official and equally authentic.

For the Government of the United States of America	For the Government of the Democratic Republic of Vietnam
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WILLIAM P. ROGERS
Secretary of State

NGUYEN DUY TRINH
*Minister for Foreign
Affairs*

Protocol on Prisoners and Detainees

White House press release dated January 24

PROTOCOL TO THE AGREEMENT ON ENDING THE WAR AND RESTORING PEACE IN VIETNAM CONCERNING THE RETURN OF CAPTURED MILITARY PERSONNEL AND FOREIGN CIVILIANS AND CAPTURED AND DETAINED VIETNAMESE CIVILIAN PERSONNEL.

The Parties participating in the Paris Conference on Vietnam,

In implementation of Article 8 of the Agreement on Ending the War and Restoring Peace in Vietnam signed on this date providing for the return of captured military personnel and foreign civilians, and captured and detained Vietnamese civilian personnel, Have agreed as follows:

THE RETURN OF CAPTURED MILITARY PERSONNEL AND FOREIGN CIVILIANS

Article 1

The parties signatory to the Agreement shall return the captured military personnel of the parties mentioned in Article 8 (a) of the Agreement as follows:

—all captured military personnel of the United States and those of the other foreign countries mentioned in Article 3 (a) of the Agreement shall be returned to United States authorities;

—all captured Vietnamese military personnel, whether belonging to regular or irregular armed forces, shall be returned to the two South Vietnamese parties; they shall be returned to that South Vietnamese party under whose command they served.

Article 2

All captured civilians who are nationals of the United States or of any other foreign countries mentioned in Article 3 (a) of the Agreement shall be returned to United States authorities. All other captured foreign civilians shall be returned to the authorities of their country of nationality by any one of the parties willing and able to do so.

Article 3

The parties shall today exchange complete lists of captured persons mentioned in Articles 1 and 2 of this Protocol.

Article 4

(a) The return of all captured persons mentioned in Articles 1 and 2 of this Protocol shall be completed within sixty days of the signing of the Agreement at a rate no slower than the rate of withdrawal from South Vietnam of United States forces and those of the other foreign countries mentioned in Article 5 of the Agreement.

(b) Persons who are seriously ill, wounded or maimed, old persons and women shall be returned first. The remainder shall be returned either by returning all from one detention place after another or in order of their dates of capture, beginning with those who have been held the longest.

Article 5

The return and reception of the persons mentioned in Articles 1 and 2 of this Protocol shall be carried out at places convenient to the concerned parties. Places of return shall be agreed upon by the Four-Party Joint Military Commission. The parties shall ensure the safety of personnel engaged in the return and reception of those persons.

Article 6

Each party shall return all captured persons mentioned in Articles 1 and 2 of this Protocol without delay and shall facilitate their return and reception. The detaining parties shall not deny or delay their return for any reason, including the fact that captured persons may, on any grounds, have been prosecuted or sentenced.

THE RETURN OF CAPTURED AND DETAINED VIETNAMESE CIVILIAN PERSONNEL

Article 7

(a) The question of the return of Vietnamese civilian personnel captured and detained in South Vietnam will be resolved by the two South Vietnamese parties on the basis of the principles of Article 21 (b) of the Agreement on the Cessation of Hostilities in Vietnam of July 20, 1954, which reads as follows:

"The term 'civilian internees' is understood to mean all persons who, having in any way contributed to the political and armed struggle between the two parties, have been arrested for that reason and have been kept in detention by either party during the period of hostilities."

(b) The two South Vietnamese parties will do so in a spirit of national reconciliation and concord with a view to ending hatred and enmity in order to ease suffering and to reunite families. The two South Vietnamese parties will do their utmost to resolve this question within ninety days after the cease-fire comes into effect.

(c) Within fifteen days after the cease-fire comes into effect, the two South Vietnamese parties shall exchange lists of the Vietnamese civilian personnel captured and detained by each party and lists of the places at which they are held.

TREATMENT OF CAPTURED PERSONS DURING DETENTION

Article 8

(a) All captured military personnel of the parties and captured foreign civilians of the parties shall be treated humanely at all times, and in accordance with international practice.

They shall be protected against all violence to life and person, in particular against murder in any form, mutilation, torture and cruel treatment, and outrages upon personal dignity. These persons shall not be forced to join the armed forces of the detaining party.

They shall be given adequate food, clothing, shelter, and the medical attention required for their state of health. They shall be allowed to exchange post cards and letters with their families and receive parcels.

(b) All Vietnamese civilian personnel captured and detained in South Vietnam shall be treated humanely at all times, and in accordance with international practice.

They shall be protected against all violence to life and person, in particular against murder in any

form, mutilation, torture and cruel treatment, and outrages against personal dignity. The detaining parties shall not deny or delay their return for any reason, including the fact that captured persons may, on any grounds, have been prosecuted or sentenced. These persons shall not be forced to join the armed forces of the detaining party.

They shall be given adequate food, clothing, shelter, and the medical attention required for their state of health. They shall be allowed to exchange post cards and letters with their families and receive parcels.

Article 9

(a) To contribute to improving the living conditions of the captured military personnel of the parties and foreign civilians of the parties, the parties shall, within fifteen days after the cease-fire comes into effect, agree upon the designation of two or more national Red Cross societies to visit all places where captured military personnel and foreign civilians are held.

(b) To contribute to improving the living conditions of the captured and detained Vietnamese civilian personnel, the two South Vietnamese parties shall, within fifteen days after the cease-fire comes into effect, agree upon the designation of two or more national Red Cross societies to visit all places where the captured and detained Vietnamese civilian personnel are held.

WITH REGARD TO DEAD AND MISSING PERSONS

Article 10

(a) The Four-Party Joint Military Commission shall ensure joint action by the parties in implementing Article 8 (b) of the Agreement. When the Four-Party Joint Military Commission has ended its activities, a Four-Party Joint Military team shall be maintained to carry on this task.

(b) With regard to Vietnamese civilian personnel dead or missing in South Vietnam, the two South Vietnamese parties shall help each other to obtain information about missing persons, determine the location and take care of the graves of the dead, in a spirit of national reconciliation and concord, in keeping with the people's aspirations.

OTHER PROVISIONS

Article 11

(a) The Four-Party and Two-Party Joint Military Commissions will have the responsibility of determining immediately the modalities of implementing the provisions of this Protocol consistent with their respective responsibilities under Articles 16 (a) and 17 (a) of the Agreement. In case the Joint Military Commissions, when carrying out their tasks, cannot reach agreement on a matter pertaining to the return of captured personnel they shall refer to the International Commission for its assistance.

(b) The Four-Party Joint Military Commission

shall form, in addition to the teams established by the Protocol concerning the cease-fire in South Vietnam and the Joint Military Commissions, a sub-commission on captured persons and, as required, joint military teams on captured persons to assist the Commission in its tasks.

(c) From the time the cease-fire comes into force to the time when the Two-Party Joint Military Commission becomes operational, the two South Vietnamese parties' delegations to the Four-Party Joint Military Commission shall form a provisional sub-commission and provisional joint military teams to carry out its tasks concerning captured and detained Vietnamese civilian personnel.

(d) The Four-Party Joint Military Commission shall send joint military teams to observe the return of the persons mentioned in Articles 1 and 2 of this Protocol at each place in Vietnam where such persons are being returned, and at the last detention places from which these persons will be taken to the places of return. The Two-Party Joint Military Commission shall send joint military teams to observe the return of Vietnamese civilian personnel captured and detained at each place in South Vietnam where such persons are being returned, and at the last detention places from which these persons will be taken to the places of return.

Article 12

In implementation of Articles 18 (b) and 18 (c) of the Agreement, the International Commission of Control and Supervision shall have the responsibility to control and supervise the observance of Articles 1 through 7 of this Protocol through observation of the return of captured military personnel, foreign civilians and captured and detained Vietnamese civilian personnel at each place in Vietnam where these persons are being returned, and at the last detention places from which these persons will be taken to the places of return, the examination of lists, and the investigation of violations of the provisions of the above-mentioned Articles.

Article 13

Within five days after signature of this Protocol, each party shall publish the text of the Protocol and communicate it to all the captured persons covered by the Protocol and being detained by that party.

Article 14

This Protocol shall come into force upon signature by plenipotentiary representatives of all the parties participating in the Paris Conference on Vietnam. It shall be strictly implemented by all the parties concerned.

DONE in Paris this twenty-seventh day of January, One Thousand Nine Hundred and Seventy-Three, in Vietnamese and English. The Vietnamese and English texts are official and equally authentic.

[Separate Numbered Page]

For the Government of the United States of America

WILLIAM P. ROGERS
Secretary of State

For the Government of the Republic of Vietnam

TRAN VAN LAM
Minister for Foreign Affairs

[Separate Numbered Page]

For the Government of the Democratic Republic of Vietnam

NGUYEN DUY TRINH
Minister for Foreign Affairs

For the Provisional Revolutionary Government of the Republic of South Vietnam

NGUYEN THI BINH
Minister for Foreign Affairs

PROTOCOL TO THE AGREEMENT ON ENDING THE WAR AND RESTORING PEACE IN VIETNAM CONCERNING THE RETURN OF CAPTURED MILITARY PERSONNEL AND FOREIGN CIVILIANS AND CAPTURED AND DETAINED VIETNAMESE CIVILIAN PERSONNEL

The Government of the United States of America, with the concurrence of the Government of the Republic of Vietnam,

The Government of the Democratic Republic of Vietnam, with the concurrence of the Provisional Revolutionary Government of the Republic of South Vietnam,

In implementation of Article 8 of the Agreement on Ending the War and Restoring Peace in Vietnam signed on this date providing for the return of captured military personnel and foreign civilians, and captured and detained Vietnamese civilian personnel,

Have agreed as follows:

[Text of Protocol Articles 1-13 same as above]

Article 14

The Protocol to the Paris Agreement on Ending the War and Restoring Peace in Vietnam concerning the Return of Captured Military Personnel and Foreign Civilians and Captured and Detained Vietnamese Civilian Personnel shall enter into force upon signature of this document by the Secretary of State of the Government of the United States of America and the Minister for Foreign Affairs of the Government of the Democratic Republic of Vietnam, and upon signature of a document in the same terms by the Secretary of State of the Government of the United States of America, the Minister for Foreign Affairs of the Government of the Republic of Vietnam, the Minister for Foreign Affairs of the Government of the Democratic Republic of Vietnam, and the Minister for Foreign Affairs of the Provisional Revolutionary Government of the Republic of South Vietnam. The Protocol shall be strictly implemented by all the parties concerned.

DONE in Paris this twenty-seventh day of January, One Thousand Nine Hundred and Seventy-

Three, in Vietnamese and English. The Vietnamese and English texts are official and equally authentic.

For the Government of the United States of America

WILLIAM P. ROGERS
Secretary of State

For the Government of the Democratic Republic of Vietnam

NGUYEN DUY TRINH
Minister for Foreign Affairs

Protocol on the International Commission of Control and Supervision

White House press release dated January 24

PROTOCOL TO THE AGREEMENT ON ENDING THE WAR AND RESTORING PEACE IN VIETNAM CONCERNING THE INTERNATIONAL COMMISSION OF CONTROL AND SUPERVISION

The parties participating in the Paris Conference on Vietnam,

In implementation of Article 18 of the Agreement on Ending the War and Restoring Peace in Vietnam signed on this date providing for the formation of the International Commission of Control and Supervision,

Have agreed as follows:

Article 1

The implementation of the Agreement is the responsibility of the parties signatory to the Agreement.

The functions of the International Commission are to control and supervise the implementation of the provisions mentioned in Article 18 of the Agreement. In carrying out these functions, the International Commission shall:

(a) Follow the implementation of the above-mentioned provisions of the Agreement through communication with the parties and on-the-spot observation at the places where this is required;

(b) Investigate violations of the provisions which fall under the control and supervision of the Commission;

(c) When necessary, cooperate with the Joint Military Commissions in deterring and detecting violations of the above-mentioned provisions.

Article 2

The International Commission shall investigate violations of the provisions described in Article 18 of the Agreement on the request of the Four-Party Joint Military Commission, or of the Two-Party Joint Military Commission, or of any party, or, with respect to Article 9 (h) of the Agreement on general elections, of the National Council of National Reconciliation and Concord, or in any case where the International Commission has other adequate grounds for considering that there has been a violation of those provisions. It is understood

that, in carrying out this task, the International Commission shall function with the concerned parties' assistance and cooperation as required.

Article 3

(a) When the International Commission finds that there is a serious violation in the implementation of the Agreement or a threat to peace against which the Commission can find no appropriate measure, the Commission shall report this to the four parties to the Agreement so that they can hold consultations to find a solution.

(b) In accordance with Article 18 (f) of the Agreement, the International Commission's reports shall be made with the unanimous agreement of the representatives of all the four members. In case no unanimity is reached, the Commission shall forward the different views to the four parties in accordance with Article 18 (b) of the Agreement, or to the two South Vietnamese parties in accordance with Article 18 (c) of the Agreement, but these shall not be considered as reports of the Commission.

Article 4

(a) The headquarters of the International Commission shall be at Saigon.

(b) There shall be seven regional teams located in the regions shown on the annexed map and based at the following places:

<i>Regions</i>	<i>Places</i>
I	Hue
II	Danang
III	Pleiku
IV	Phan Thiet
V	Bien Hoa
VI	My Tho
VII	Can Tho

The International Commission shall designate three teams for the region of Saigon-Gia Dinh.

(c) There shall be twenty-six teams operating in the areas shown on the annexed map and based at the following places in South Vietnam:

Region I

Quang Tri
Phu Bai

Region II

Hoi An
Tam Ky
Chu Lai

Region III

Kontum
Hau Bon
Phu Cat
Tuy An
Ninh Hoa
Ban Me Thuot

Region IV

Da Lat

Bao Loc
Phan Rang

Region V

An Loc
Xuan Loc
Ben Cat
Cu Chi
Tan An

Region VI

Moc Hoa
Giong Trom

Region VII

Tri Ton
Vinh Long
Vi Thanh
Khanh Hung
Quan Long

(d) There shall be twelve teams located as shown on the annexed map and based at the following places:

Gio Linh (to cover the area south of the Provisional Military Demarcation Line)

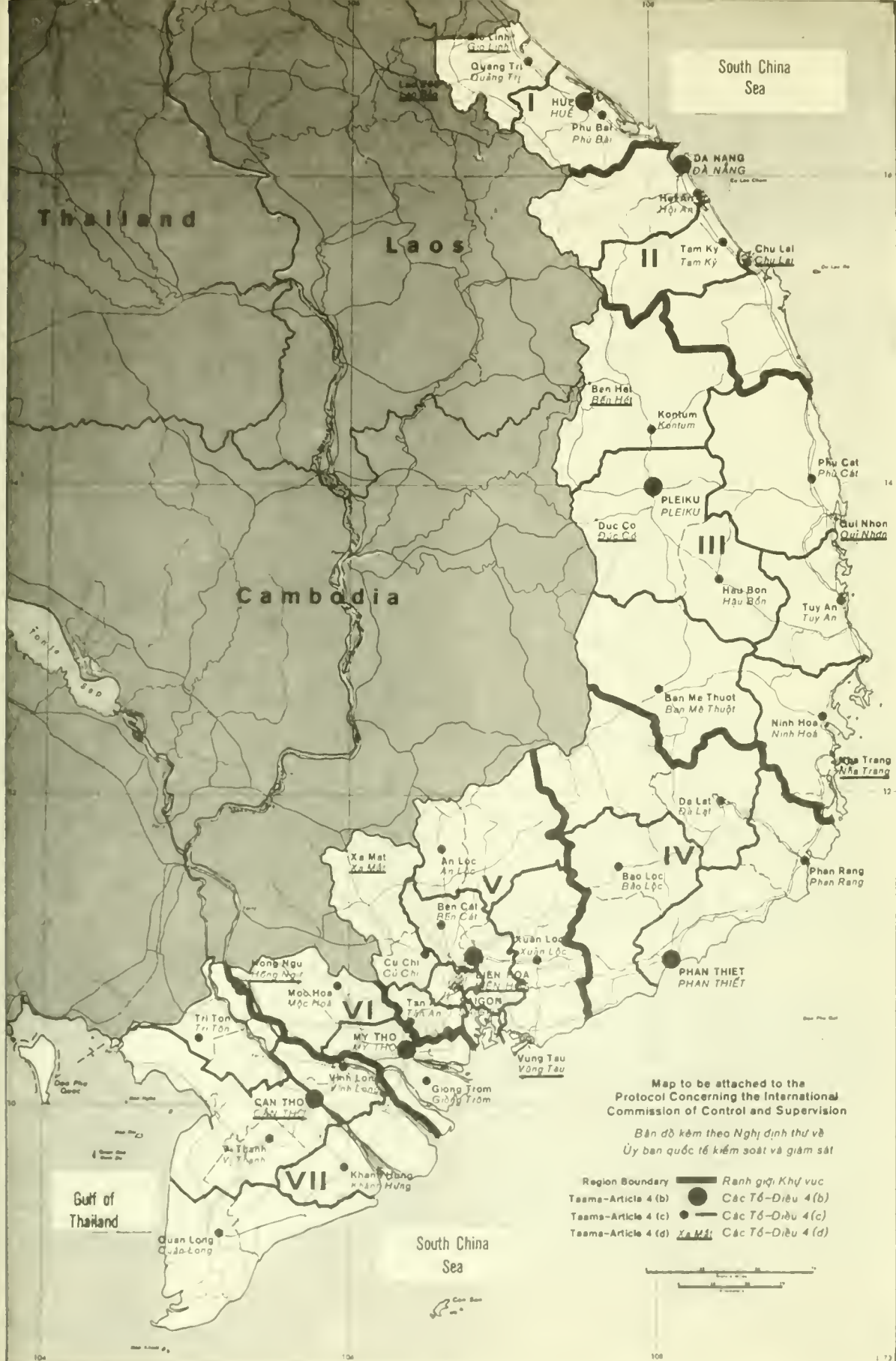
Lao Bao
Ben Het
Duc Co
Chu Lai
Qui Nhon
Nha Trang
Vung Tau
Xa Mat
Bien Hoa Airfield
Hong Ngu
Can Tho

(e) There shall be seven teams, six of which shall be available for assignment to the points of entry which are not listed in paragraph (d) above and which the two South Vietnamese parties choose as points for legitimate entry to South Vietnam for replacement of armaments, munitions, and war material permitted by Article 7 of the Agreement. Any team or teams not needed for the above-mentioned assignment shall be available for other tasks, in keeping with the Commission's responsibility for control and supervision.

(f) There shall be seven teams to control and supervise the return of captured and detained personnel of the parties.

Article 5

(a) To carry out its tasks concerning the return of the captured military personnel and foreign civilians of the parties as stipulated by Article 8 (a) of the Agreement, the International Commission shall, during the time of such return, send one control and supervision team to each place in Vietnam where the captured persons are being returned, and to the last detention places from which these persons will be taken to the places of return.



(b) To carry out its tasks concerning the return of the Vietnamese civilian personnel captured and detained in South Vietnam mentioned in Article 8 (c) of the Agreement, the International Commission shall, during the time of such return, send one control and supervision team to each place in South Vietnam where the above-mentioned captured and detained persons are being returned, and to the last detention places from which these persons shall be taken to the places of return.

Article 6

To carry out its tasks regarding Article 9 (b) of the Agreement on the free and democratic general elections in South Vietnam, the International Commission shall organize additional teams, when necessary. The International Commission shall discuss this question in advance with the National Council of National Reconciliation and Concord. If additional teams are necessary for this purpose, they shall be formed thirty days before the general elections.

Article 7

The International Commission shall continually keep under review its size, and shall reduce the number of its teams, its representatives or other personnel, or both, when those teams, representatives or personnel have accomplished the tasks assigned to them and are not required for other tasks. At the same time, the expenditures of the International Commission shall be reduced correspondingly.

Article 8

Each member of the International Commission shall make available at all times the following numbers of qualified personnel:

- (a) One senior representative and twenty-six others for the headquarters staff.
- (b) Five for each of the seven regional teams.
- (c) Two for each of the other international control teams, except for the teams at Gio Linh and Vung Tau, each of which shall have three.
- (d) One hundred sixteen for the purpose of providing support to the Commission Headquarters and its teams.

Article 9

(a) The International Commission, and each of its teams, shall act as a single body comprising representatives of all four members.

(b) Each member has the responsibility to ensure the presence of its representatives at all levels of the International Commission. In case a representative is absent, the member concerned shall immediately designate a replacement.

Article 10

(a) The parties shall afford full cooperation, assistance, and protection to the International Commission.

(b) The parties shall at all times maintain reg-

ular and continuous liaison with the International Commission. During the existence of the Four-Party Joint Military Commission, the delegations of the parties to that Commission shall also perform liaison functions with the International Commission. After the Four-Party Joint Military Commission has ended its activities, such liaison shall be maintained through the Two-Party Joint Military Commission, liaison missions, or other adequate means.

(c) The International Commission and the Joint Military Commissions shall closely cooperate with and assist each other in carrying out their respective functions.

(d) Wherever a team is stationed or operating, the concerned party shall designate a liaison officer to the team to cooperate with and assist it in carrying out without hindrance its task of control and supervision. When a team is carrying out an investigation, a liaison officer from each concerned party shall have the opportunity to accompany it, provided the investigation is not thereby delayed.

(e) Each party shall give the International Commission reasonable advance notice of all proposed actions concerning those provisions of the Agreement that are to be controlled and supervised by the International Commission.

(f) The International Commission, including its teams, is allowed such movement for observation as is reasonably required for the proper exercise of its functions as stipulated in the Agreement. In carrying out these functions, the International Commission, including its teams, shall enjoy all necessary assistance and cooperation from the parties concerned.

Article 11

In supervising the holding of the free and democratic general elections described in Articles 9 (b) and 12 (b) of the Agreement in accordance with modalities to be agreed upon between the National Council of National Reconciliation and Concord and the International Commission, the latter shall receive full cooperation and assistance from the National Council.

Article 12

The International Commission and its personnel who have the nationality of a member state shall, while carrying out their tasks, enjoy privileges and immunities equivalent to those accorded diplomatic missions and diplomatic agents.

Article 13

The International Commission may use the means of communication and transport necessary to perform its functions. Each South Vietnamese party shall make available for rent to the International Commission appropriate office and accommodation facilities and shall assist it in obtaining such facilities. The International Commission may receive from the parties, on mutually agreeable terms, the

necessary means of communication and transport and may purchase from any source necessary equipment and services not obtained from the parties. The International Commission shall possess these means.

Article 14

The expenses for the activities of the International Commission shall be borne by the parties and the members of the International Commission in accordance with the provisions of this Article:

(a) Each member country of the International Commission shall pay the salaries and allowances of its personnel.

(b) All other expenses incurred by the International Commission shall be met from a fund to which each of the four parties shall contribute twenty-three percent (23%) and to which each member of the International Commission shall contribute two percent (2%).

(c) Within thirty days of the date of entry into force of this Protocol, each of the four parties shall provide the International Commission with an initial sum equivalent to four million, five hundred thousand (4,500,000) French francs in convertible currency, which sum shall be credited against the amounts due from that party under the first budget.

(d) The International Commission shall prepare its own budgets. After the International Commission approves a budget, it shall transmit it to all parties signatory to the Agreement for their approval. Only after the budgets have been approved by the four parties to the Agreement shall they be obliged to make their contributions. However, in case the parties to the Agreement do not agree on a new budget, the International Commission shall temporarily base its expenditures on the previous budget, except for the extraordinary, one-time expenditures for installation or for the acquisition of equipment, and the parties shall continue to make their contributions on that basis until a new budget is approved.

Article 15

(a) The headquarters shall be operational and in place within twenty-four hours after the cease-fire.

(b) The regional teams shall be operational and in place, and three teams for supervision and control of the return of the captured and detained personnel shall be operational and ready for dispatch within forty-eight hours after the cease-fire.

(c) Other teams shall be operational and in place within fifteen to thirty days after the cease-fire.

Article 16

Meetings shall be convened at the call of the Chairman. The International Commission shall adopt other working procedures appropriate for the effective discharge of its functions and consistent with respect for the sovereignty of South Vietnam.

Article 17

The Members of the International Commission may accept the obligations of this Protocol by sending notes of acceptance to the four parties signatory to the Agreement. Should a member of the International Commission decide to withdraw from the International Commission, it may do so by giving three months notice by means of notes to the four parties to the Agreement, in which case those four parties shall consult among themselves for the purpose of agreeing upon a replacement member.

Article 18

This Protocol shall enter into force upon signature by plenipotentiary representatives of all the parties participating in the Paris Conference on Vietnam. It shall be strictly implemented by all the parties concerned.

DONE in Paris this twenty-seventh day of January, One Thousand Nine Hundred and Seventy-Three, in Vietnamese and English. The Vietnamese and English texts are official and equally authentic.

[Separate Numbered Page]

For the Government of the United States of America	For the Government of the Republic of Vietnam
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WILLIAM P. ROGERS
Secretary of State

TRAN VAN LAM
*Minister for Foreign
Affairs*

[Separate Numbered Page]

For the Government of the Democratic Republic of Vietnam	For the Provisional Rev- olutionary Government of the Republic of South Vietnam
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NGUYEN DUY TRINH
*Minister for Foreign
Affairs*

NGUYEN THI BINH
*Minister for Foreign
Affairs*

PROTOCOL TO THE AGREEMENT ON ENDING THE WAR
AND RESTORING PEACE IN VIETNAM CONCERNING
THE INTERNATIONAL COMMISSION OF CONTROL AND
SUPERVISION

The Government of the United States of America,
with the concurrence of the Government of the Re-
public of Vietnam,

The Government of the Democratic Republic of
Vietnam, with the concurrence of the Provisional
Revolutionary Government of the Republic of South
Vietnam,

In implementation of Article 18 of the Agreement
on Ending the War and Restoring Peace in Vietnam
signed on this date providing for the formation of
the International Commission of Control and
Supervision,

Have agreed as follows:

[Text of Protocol Articles 1-17 same as above.]

Article 18

The Protocol to the Paris Agreement on Ending the War and Restoring Peace in Vietnam concerning the International Commission of Control and Supervision shall enter into force upon signature of this document by the Secretary of State of the Government of the United States of America and the Minister for Foreign Affairs of the Government of the Democratic Republic of Vietnam, and upon signature of a document in the same terms by the Secretary of State of the Government of the United States of America, the Minister for Foreign Affairs of the Government of the Republic of Vietnam, the Minister for Foreign Affairs of the Government of the Democratic Republic of Vietnam, and the Minister for Foreign Affairs of the Provisional Revolutionary Government of the Republic of South Vietnam. The Protocol shall be strictly implemented by all the parties concerned.

DONE in Paris this twenty-seventh day of January, One Thousand Nine Hundred and Seventy-Three, in Vietnamese and English. The Vietnamese and English texts are official and equally authentic.

For the Government of the United States of America For the Government of the Democratic Republic of Vietnam

WILLIAM P. ROGERS
Secretary of State

NGUYEN DUY TRINH
Minister for Foreign Affairs

Protocol on the Cease-Fire in South Viet-Nam and the Joint Military Commissions

White House press release dated January 24

PROTOCOL TO THE AGREEMENT ON ENDING THE WAR AND RESTORING PEACE IN VIETNAM CONCERNING THE CEASE-FIRE IN SOUTH VIETNAM AND THE JOINT MILITARY COMMISSIONS

The parties participating in the Paris Conference on Vietnam,

In implementation of the first paragraph of Article 2, Article 3, Article 5, Article 6, Article 16 and Article 17 of the Agreement on Ending the War and Restoring Peace in Vietnam signed on this date which provide for the cease-fire in South Vietnam and the establishment of a Four-Party Joint Military Commission and a Two-Party Joint Military Commission,

Have agreed as follows:

CEASE-FIRE IN SOUTH VIETNAM

Article 1

The High Commands of the parties in South Vietnam shall issue prompt and timely orders to all regular and irregular armed forces and the armed police under their command to completely end hostilities throughout South Vietnam, at the exact time stipulated in Article 2 of the Agreement and ensure

that these armed forces and armed police comply with these orders and respect the cease-fire.

Article 2

(a) As soon as the cease-fire comes into force and until regulations are issued by the Joint Military Commissions, all ground, river, sea and air combat forces of the parties in South Vietnam shall remain in place; that is, in order to ensure a stable cease-fire, there shall be no major redeployments or movements that would extend each party's area of control or would result in contact between opposing armed forces and clashes which might take place.

(b) All regular and irregular armed forces and the armed police of the parties in South Vietnam shall observe the prohibition of the following acts:

(1) Armed patrols into areas controlled by opposing armed forces and flights by bomber and fighter aircraft of all types, except for unarmed flights for proficiency training and maintenance;

(2) Armed attacks against any person, either military or civilian, by any means whatsoever, including the use of small arms, mortars, artillery, bombing and strafing by airplanes and any other type of weapon or explosive device;

(3) All combat operations on the ground, on rivers, on the sea and in the air;

(4) All hostile acts, terrorism or reprisals; and

(5) All acts endangering lives or public or private property.

Article 3

(a) The above-mentioned prohibitions shall not hamper or restrict:

(1) Civilian supply, freedom of movement, freedom to work, and freedom of the people to engage in trade, and civilian communication and transportation between and among all areas in South Vietnam;

(2) The use by each party in areas under its control of military support elements, such as engineer and transportation units, in repair and construction of public facilities and the transportation and supplying of the population;

(3) Normal military proficiency training conducted by the parties in the areas under their respective control with due regard for public safety.

(b) The Joint Military Commissions shall immediately agree on corridors, routes, and other regulations governing the movement of military transport aircraft, military transport vehicles, and military transport vessels of all types of one party going through areas under the control of other parties.

Article 4

In order to avert conflict and ensure normal conditions for those armed forces which are in direct contact, and pending regulation by the Joint Military Commissions, the commanders of the opposing

armed forces at those places of direct contact shall meet as soon as the cease-fire comes into force with a view to reaching an agreement on temporary measures to avert conflict and to ensure supply and medical care for these armed forces.

Article 5

(a) Within fifteen days after the cease-fire comes into effect, each party shall do its utmost to complete the removal or deactivation of all demolition objects, mine-fields, traps, obstacles or other dangerous objects placed previously, so as not to hamper the population's movement and work, in the first place on waterways, roads and railroads in South Vietnam. Those mines which cannot be removed or deactivated within that time shall be clearly marked and must be removed or deactivated as soon as possible.

(b) Emplacement of mines is prohibited, except as a defensive measure around the edges of military installations in places where they do not hamper the population's movement and work, and movement on waterways, roads and railroads. Mines and other obstacles already in place at the edges of military installations may remain in place if they are in places where they do not hamper the population's movement and work, and movement on waterways, roads and railroads.

Article 6

Civilian police and civilian security personnel of the parties in South Vietnam, who are responsible for the maintenance of law and order, shall strictly respect the prohibitions set forth in Article 2 of this Protocol. As required by their responsibilities, normally they shall be authorized to carry pistols, but when required by unusual circumstances, they shall be allowed to carry other small individual arms.

Article 7

(a) The entry into South Vietnam of replacement armaments, munitions, and war material permitted under Article 7 of the Agreement shall take place under the supervision and control of the Two-Party Joint Military Commission and of the International Commission of Control and Supervision and through such points of entry only as are designated by the two South Vietnamese parties. The two South Vietnamese parties shall agree on these points of entry within fifteen days after the entry into force of the cease-fire. The two South Vietnamese parties may select as many as six points of entry which are not included in the list of places where teams of the International Commission of Control and Supervision are to be based contained in Article 4 (d) of the Protocol concerning the International Commission. At the same time, the two South Vietnamese parties may also select points of entry from the list of places set forth in Article 4 (d) of that Protocol.

(b) Each of the designated points of entry shall be available only for that South Vietnamese party which is in control of that point. The two South Vietnamese parties shall have an equal number of points of entry.

Article 8

(a) In implementation of Article 5 of the Agreement, the United States and the other foreign countries referred to in Article 5 of the Agreement shall take with them all their armaments, munitions, and war material. Transfers of such items which would leave them in South Vietnam shall not be made subsequent to the entry into force of the Agreement except for transfers of communications, transport, and other non-combat material to the Four-Party Joint Military Commission or the International Commission of Control and Supervision.

(b) Within five days after the entry into force of the cease-fire, the United States shall inform the Four-Party Joint Military Commission and the International Commission of Control and Supervision of the general plans for timing of complete troop withdrawals which shall take place in four phases of fifteen days each. It is anticipated that the numbers of troops withdrawn in each phase are not likely to be widely different, although it is not feasible to ensure equal numbers. The approximate numbers to be withdrawn in each phase shall be given to the Four-Party Joint Military Commission and the International Commission of Control and Supervision sufficiently in advance of actual withdrawals so that they can properly carry out their tasks in relation thereto.

Article 9

(a) In implementation of Article 6 of the Agreement, the United States and the other foreign countries referred to in that Article shall dismantle and remove from South Vietnam or destroy all military bases in South Vietnam of the United States and of the other foreign countries referred to in that Article, including weapons, mines, and other military equipment at these bases, for the purpose of making them unusable for military purposes.

(b) The United States shall supply the Four-Party Joint Military Commission and the International Commission of Control and Supervision with necessary information on plans for base dismantlement so that those Commissions can properly carry out their tasks in relation thereto.

THE JOINT MILITARY COMMISSIONS

Article 10

(a) The implementation of the Agreement is the responsibility of the parties signatory to the Agreement.

The Four-Party Joint Military Commission has the task of ensuring joint action by the parties in implementing the Agreement by serving as a chan-

nel of communication among the parties, by drawing up plans and fixing the modalities to carry out, coordinate, follow and inspect the implementation of the provisions mentioned in Article 16 of the Agreement, and by negotiating and settling all matters concerning the implementation of those provisions.

(b) The concrete tasks of the Four-Party Joint Military Commission are:

(1) To coordinate, follow and inspect the implementation of the above-mentioned provisions of the Agreement by the four parties;

(2) To deter and detect violations, to deal with cases of violation, and to settle conflicts and matters of contention between the parties relating to the above-mentioned provisions;

(3) To dispatch without delay one or more joint teams, as required by specific cases, to any part of South Vietnam, to investigate alleged violations of the Agreement and to assist the parties in finding measures to prevent recurrence of similar cases;

(4) To engage in observation at the places where this is necessary in the exercise of its functions;

(5) To perform such additional tasks as it may, by unanimous decision, determine.

Article 11

(a) There shall be a Central Joint Military Commission located in Saigon. Each party shall designate immediately a military delegation of fifty-nine persons to represent it on the Central Commission. The senior officer designated by each party shall be a general officer, or equivalent.

(b) There shall be seven Regional Joint Military Commissions located in the regions shown on the annexed map and based at the following places:

<i>Regions</i>	<i>Places</i>
I	Hue
II	Danang
III	Pleiku
IV	Phan Thiet
V	Bien Hoa
VI	My Tho
VII	Can Tho

Each party shall designate a military delegation of sixteen persons to represent it on each Regional Commission. The senior officer designated by each party shall be an officer from the rank of Lieutenant Colonel to Colonel, or equivalent.

(c) There shall be a joint military team operating in each of the areas shown on the annexed map and based at each of the following places in South Vietnam:

Region I
Quang Tri
Phu Bai

Region II
Hoi An
Tam Ky
Chu Lai

Region III

Kontum
Hau Bon
Phu Cat
Tuy An
Ninh Hoa
Ban Me Thuot

Region IV

Da Lat
Bao Loc
Phan Rang

Region V

An Loc
Xuan Loc
Ben Cat
Cu Chi
Tan An

Region VI

Moc Hoa
Giong Trom

Region VII

Tri Ton
Vinh Long
Vi Thanh
Khanh Hung
Quan Long

Each party shall provide four qualified persons for each joint military team. The senior person designated by each party shall be an officer from the rank of Major to Lieutenant Colonel, or equivalent.

(d) The Regional Joint Military Commissions shall assist the Central Joint Military Commission in performing its tasks and shall supervise the operations of the joint military teams. The region of Saigon-Gia Dinh is placed under the responsibility of the Central Commission which shall designate joint military teams to operate in this region.

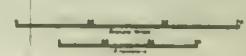
(e) Each party shall be authorized to provide support and guard personnel for its delegations to the Central Joint Military Commission and Regional Joint Military Commissions, and for its members of the joint military teams. The total number of support and guard personnel for each party shall not exceed five hundred and fifty.

(f) The Central Joint Military Commission may establish such joint sub-commissions, joint staffs and joint military teams as circumstances may require. The Central Commission shall determine the numbers of personnel required for any additional sub-commissions, staffs or teams it establishes, provided that each party shall designate one-fourth of the number of personnel required and that the total number of personnel for the Four-Party Joint Military Commission, to include its staffs, teams, and support personnel, shall not exceed three thousand three hundred.

(g) The delegations of the two South Vietnamese



Map to be attached to the
Protocol Concerning the Cease-fire in
South Vietnam and the
Joint Military Commissions
Bản đồ kèm theo Nghị định thư
và ngừng bắn ở Miền Nam Việt-Nam
và các Ban liên hợp quân sự



parties may, by agreement, establish provisional sub-commissions and joint military teams to carry out the tasks specifically assigned to them by Article 17 of the Agreement. With respect to Article 7 of the Agreement, the two South Vietnamese parties' delegations to the Four-Party Joint Military Commission shall establish joint military teams at the points of entry into South Vietnam used for replacement of armaments, munitions and war material which are designated in accordance with Article 7 of this Protocol. From the time the cease-fire comes into force to the time when the Two-Party Joint Military Commission becomes operational, the two South Vietnamese parties' delegations to the Four-Party Joint Military Commission shall form a provisional sub-commission and provisional joint military teams to carry out its tasks concerning captured and detained Vietnamese civilian personnel. Where necessary for the above purposes, the two South Vietnamese parties may agree to assign personnel additional to those assigned to the two South Vietnamese delegations to the Four-Party Joint Military Commission.

Article 12

(a) In accordance with Article 17 of the Agreement which stipulates that the two South Vietnamese parties shall immediately designate their respective representatives to form the Two-Party Joint Military Commission, twenty-four hours after the cease-fire comes into force, the two designated South Vietnamese parties' delegations to the Two-Party Joint Military Commission shall meet in Saigon so as to reach an agreement as soon as possible on organization and operation of the Two-Party Joint Military Commission, as well as the measures and organization aimed at enforcing the cease-fire and preserving peace in South Vietnam.

(b) From the time the cease-fire comes into force to the time when the Two-Party Joint Military Commission becomes operational, the two South Vietnamese parties' delegations to the Four-Party Joint Military Commission at all levels shall simultaneously assume the tasks of the Two-Party Joint Military Commission at all levels, in addition to their functions as delegations to the Four-Party Joint Military Commission.

(c) If, at the time the Four-Party Joint Military Commission ceases its operation in accordance with Article 16 of the Agreement, agreement has not been reached on organization of the Two-Party Joint Military Commission, the delegations of the two South Vietnamese parties serving with the Four-Party Joint Military Commission at all levels shall continue temporarily to work together as a provisional two-party joint military commission and to assume the tasks of the Two-Party Joint Military Commission at all levels until the Two-Party Joint Military Commission becomes operational.

Article 13

In application of the principle of unanimity, the

Joint Military Commissions shall have no chairmen, and meetings shall be convened at the request of any representative. The Joint Military Commissions shall adopt working procedures appropriate for the effective discharge of their functions and responsibilities.

Article 14

The Joint Military Commissions and the International Commission of Control and Supervision shall closely cooperate with and assist each other in carrying out their respective functions. Each Joint Military Commission shall inform the International Commission about the implementation of those provisions of the Agreement for which that Joint Military Commission has responsibility and which are within the competence of the International Commission. Each Joint Military Commission may request the International Commission to carry out specific observation activities.

Article 15

The Central Four-Party Joint Military Commission shall begin operating twenty-four hours after the cease-fire comes into force. The Regional Four-Party Joint Military Commissions shall begin operating forty-eight hours after the cease-fire comes into force. The joint military teams based at the places listed in Article 11 (c) of this Protocol shall begin operating no later than fifteen days after the cease-fire comes into force. The delegations of the two South Vietnamese parties shall simultaneously begin to assume the tasks of the Two-Party Joint Military Commission as provided in Article 12 of this Protocol.

Article 16

(a) The parties shall provide full protection and all necessary assistance and cooperation to the Joint Military Commissions at all levels, in the discharge of their tasks.

(b) The Joint Military Commissions and their personnel, while carrying out their tasks, shall enjoy privileges and immunities equivalent to those accorded diplomatic missions and diplomatic agents.

(c) The personnel of the Joint Military Commissions may carry pistols and wear special insignia decided upon by each Central Joint Military Commission. The personnel of each party while guarding Commission installations or equipment may be authorized to carry other individual small arms, as determined by each Central Joint Military Commission.

Article 17

(a) The delegation of each party to the Four-Party Joint Military Commission and the Two-Party Joint Military Commission shall have its own offices, communication, logistics and transportation means, including aircraft when necessary.

(b) Each party, in its areas of control shall provide appropriate office and accommodation facilities to the Four-Party Joint Military Commission

and the Two-Party Joint Military Commission at all levels.

(c) The parties shall endeavor to provide to the Four-Party Joint Military Commission and the Two-Party Joint Military Commission, by means of loan, lease, or gift, the common means of operation, including equipment for communication, supply, and transport, including aircraft when necessary. The Joint Military Commissions may purchase from any source necessary facilities, equipment, and services which are not supplied by the parties. The Joint Military Commissions shall possess and use these facilities and this equipment.

(d) The facilities and the equipment for common use mentioned above shall be returned to the parties when the Joint Military Commissions have ended their activities.

Article 18

The common expenses of the Four-Party Joint Military Commission shall be borne equally by the four parties, and the common expenses of the Two-Party Joint Military Commission in South Vietnam shall be borne equally by these two parties.

Article 19

This Protocol shall enter into force upon signature by plenipotentiary representatives of all the parties participating in the Paris Conference on Vietnam. It shall be strictly implemented by all the parties concerned.

DONE in Paris this twenty-seventh day of January, One Thousand Nine Hundred and Seventy-Three, in Vietnamese and English. The Vietnamese and English texts are official and equally authentic.

[Separate Numbered Page]

For the Government of the United States of America	For the Government of the Republic of Vietnam
--	--

WILLIAM P. ROGERS
Secretary of State

TRAN VAN LAM
*Minister for Foreign
Affairs*

[Separate Numbered Page]

For the Government of the Democratic Republic of Vietnam	For the Provisional Rev- olutionary Government of the Republic of South Vietnam
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NGUYEN DUY TRINH
*Minister for Foreign
Affairs*

NGUYEN THI BINH
*Minister for Foreign
Affairs*

PROTOCOL TO THE AGREEMENT ON ENDING THE WAR
AND RESTORING PEACE IN VIETNAM CONCERNING
THE CEASE-FIRE IN SOUTH VIETNAM AND THE
JOINT MILITARY COMMISSIONS

The Government of the United States of America,
with the concurrence of the Government of the Re-
public of Vietnam,

The Government of the Democratic Republic of

Vietnam, with the concurrence of the Provisional
Revolutionary Government of the Republic of South
Vietnam,

In implementation of the first paragraph of Arti-
cle 2, Article 3, Article 5, Article 6, Article 16 and
Article 17 of the Agreement on Ending the War and
Restoring Peace in Vietnam signed on this date
which provide for the cease-fire in South Vietnam
and the establishment of a Four-Party Joint Mil-
itary Commission and a Two-Party Joint Military
Commission,

Have agreed as follows:

[Text of Protocol Articles 1-18 same as above]

Article 19

The Protocol to the Paris Agreement on Ending
the War and Restoring Peace in Vietnam concern-
ing the Cease-fire in South Vietnam and the Joint
Military Commissions shall enter into force upon
signature of this document by the Secretary of
State of the Government of the United States of
America and the Minister for Foreign Affairs of
the Government of the Democratic Republic of Viet-
nam, and upon signature of a document in the same
terms by the Secretary of State of the Government
of the United States of America, the Minister for
Foreign Affairs of the Government of the Republic
of Vietnam, the Minister for Foreign Affairs of
the Government of the Democratic Republic of Viet-
nam, and the Minister for Foreign Affairs of the
Provisional Revolutionary Government of the Re-
public of South Vietnam. The Protocol shall be
strictly implemented by all the parties concerned.

DONE in Paris this twenty-seventh day of Janu-
ary, One Thousand Nine Hundred and Seventy-
Three, in Vietnamese and English. The Vietnamese
and English texts are official and equally authentic.

For the Government of the United States of America	For the Government of the Democratic Republic of Vietnam
--	--

WILLIAM P. ROGERS
Secretary of State

NGUYEN DUY TRINH
*Minister for Foreign
Affairs*

Protocol on Mine Clearing in North Viet-Nam

White House press release dated January 24

PROTOCOL TO THE AGREEMENT ON ENDING THE WAR
AND RESTORING PEACE IN VIETNAM CONCERNING
THE REMOVAL, PERMANENT DEACTIVATION, OR DE-
STRUCTION OF MINES IN THE TERRITORIAL WATERS,
PORTS, HARBORS, AND WATERWAYS OF THE DEMO-
CRATIC REPUBLIC OF VIETNAM

The Government of the United States of America,
The Government of the Democratic Republic of
Vietnam,

In implementation of the second paragraph of
Article 2 of the Agreement on Ending the War and
Restoring Peace in Vietnam signed on this date,

Have agreed as follows:

Article 1

The United States shall clear all the mines it has placed in the territorial waters, ports, harbors, and waterways of the Democratic Republic of Vietnam. This mine clearing operation shall be accomplished by rendering the mines harmless through removal, permanent deactivation, or destruction.

Article 2

With a view to ensuring lasting safety for the movement of people and watercraft and the protection of important installations, mines shall, on the request of the Democratic Republic of Vietnam, be removed or destroyed in the indicated areas; and whenever their removal or destruction is impossible, mines shall be permanently deactivated and their emplacement clearly marked.

Article 3

The mine clearing operation shall begin at twenty-four hundred (2400) hours GMT on January 27, 1973. The representatives of the two parties shall consult immediately on relevant factors and agree upon the earliest possible target date for the completion of the work.

Article 4

The mine clearing operation shall be conducted in accordance with priorities and timing agreed upon by the two parties. For this purpose, representatives of the two parties shall meet at an early date to reach agreement on a program and a plan of implementation. To this end:

(a) The United States shall provide its plan for mine clearing operations, including maps of the minefields and information concerning the types, numbers and properties of the mines;

(b) The Democratic Republic of Vietnam shall provide all available maps and hydrographic charts and indicate the mined places and all other potential hazards to the mine clearing operations that the Democratic Republic of Vietnam is aware of;

(c) The two parties shall agree on the timing of implementation of each segment of the plan and provide timely notice to the public at least forty-eight hours in advance of the beginning of mine clearing operations for that segment.

Article 5

The United States shall be responsible for the mine clearance on inland waterways of the Democratic Republic of Vietnam. The Democratic Republic of Vietnam shall, to the full extent of its

capabilities, actively participate in the mine clearance with the means of surveying, removal and destruction and technical advice supplied by the United States.

Article 6

With a view to ensuring the safe movement of people and watercraft on waterways and at sea, the United States shall in the mine clearing process supply timely information about the progress of mine clearing in each area, and about the remaining mines to be destroyed. The United States shall issue a communique when the operations have been concluded.

Article 7

In conducting mine clearing operations, the U.S. personnel engaged in these operations shall respect the sovereignty of the Democratic Republic of Vietnam and shall engage in no activities inconsistent with the Agreement on Ending the War and Restoring Peace in Vietnam and this Protocol. The U.S. personnel engaged in the mine clearing operations shall be immune from the jurisdiction of the Democratic Republic of Vietnam for the duration of the mine clearing operations.

The Democratic Republic of Vietnam shall ensure the safety of the U.S. personnel for the duration of their mine clearing activities on the territory of the Democratic Republic of Vietnam, and shall provide this personnel with all possible assistance and the means needed in the Democratic Republic of Vietnam that have been agreed upon by the two parties.

Article 8

This Protocol to the Paris Agreement on Ending the War and Restoring Peace in Vietnam shall enter into force upon signature by the Secretary of State of the Government of the United States of America and the Minister for Foreign Affairs of the Government of the Democratic Republic of Vietnam. It shall be strictly implemented by the two parties.

DONE in Paris this twenty-seventh day of January, One Thousand Nine Hundred and Seventy-Three, in Vietnamese and English. The Vietnamese and English texts are official and equally authentic.

For the Government of
the United States of
America

WILLIAM P. ROGERS
Secretary of State

For the Government of
the Democratic Republic
of Vietnam

NGUYEN DUY TRINH
*Minister for Foreign
Affairs*

Secretary Urges World Efforts To Maintain Peace in Viet-Nam

Following are statements made by Secretary Rogers upon arrival at Paris on January 26 and upon departure on January 27.

Press release 18 dated January 30

ARRIVAL STATEMENT, JANUARY 26

Tomorrow, with the signing of the agreements and the protocols, peace will come to Viet-Nam. The restoration of peace will be a source of great satisfaction to the American people.

President Nixon, his administration—and I am sure the Congress of the United States—are fully prepared to turn all of our efforts toward making peace work. There is before the parties—before the world—an unparalleled opportunity to put an end to the violence and the misery that have become a way of life for millions of people in Indochina. Finally now the energies and talents of those who have suffered so much can be turned to the process of building, educating, and growing. This can be done if the parties abide faithfully by the agreements in a spirit of reconciliation and cooperation. The international community stands ready to join in this effort. In the spirit of conciliation which has brought us to the signing ceremony tomorrow—a point which many said could never be reached—let us, the parties and the international community, strive together in full cooperation to achieve a generation of peace.

DEPARTURE STATEMENT, JANUARY 27

I would like to say goodbye to you and to express to the French Government and the French people, and of course to President Pompidou, the thanks of the U.S. Government for hosting the negotiations that have led to such a successful conclusion.

I am particularly pleased by how smoothly the signing ceremony went today. I was recalling, just before I stepped out here, the

fact that when I arrive in Washington, back in the United States, the cease-fire will be in effect. Very soon thereafter we have every reason to hope, and we do expect, that the cease-fire will extend to all of Indochina. I think people all over the world will be gratified and very pleased that for the first time in a long time there will be no major fighting in the world. It's important for all of us who are interested in peace, for those who signed the agreements this morning, for those who will take part in the international conference which will convene toward the end of February, and for the international community to devote our attention to the maintenance of this peace.

President Nixon has dedicated himself to building a structure of peace; he hopes that we can achieve a generation of peace; and the events here in Paris today are a milestone in achieving that purpose. I appreciate very much the courtesy of the press, of the French people, and all who took part in the ceremony today. Thank you very much.

National Moment of Prayer and Thanksgiving

A PROCLAMATION¹

A long and trying ordeal for America has ended. Our Nation has achieved its goal of peace with honor in Vietnam.

As a people with a deep and abiding faith, we know that no great work can be accomplished without the aid and inspiration of Almighty God. No time could be more fitting for grateful prayer and meditation than the opening moment of the peace we have achieved with His help.

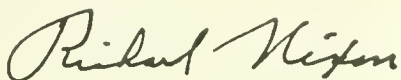
NOW, THEREFORE, I, RICHARD NIXON, President of the United States of America, as requested by the Congress, do hereby designate 7:00 p.m., e.s.t., January 27, 1973 as a National Moment of Prayer and Thanksgiving, and the 24-hour period beginning then as a National Day of Prayer and Thanksgiving.

I urge all men and women of goodwill to join the prayerful hope that this moment marks not only the end of the war in Vietnam, but the beginning of a new era of world peace and understanding for all mankind. I authorize the flying of the American flag at the appointed hour, and I call on all the people of

¹ No. 4181; 38 Fed. Reg. 2737.

the United States to observe this moment with appropriate ceremonies and activities.

IN WITNESS WHEREOF, I have hereunto set my hand this twenty-sixth day of January, in the year of our Lord nineteen hundred seventy-three, and of the Independence of the United States of America the one hundred ninety-seventh.



Death of Former President Johnson

Following is a statement by Secretary Rogers issued on January 22.

Press release 14 dated January 22

I am profoundly saddened by the death this evening of former President Lyndon B. Johnson.

The country, indeed the world, has lost one of the great leaders of contemporary history—a man of the people, a man of extraordinary vision, a man of action, and a man who reflected and gave substance to the pulse of our generation. He devoted a lifetime of service to the ideals of a greater society.

We who knew him will treasure separate memories of the man. Mine will be his success in achieving passage of the landmark civil rights bill of 1957, the first such legislation in almost a century and the harbinger of what was still to come during his Presidency.

We must all be particularly saddened in light of our current negotiations that he did not live to see peace restored to Indochina.

On frequent occasions during the last four years I had the privilege and enjoyed the satisfaction of discussing many matters of current international interest with him. He unfailingly gave his patriotic support to the goals of this Nation. The world will be the less without him.

Mrs. Rogers, those who served him in the Department of State and I extend our heartfelt condolences to Mrs. Johnson and her family.

TREATY INFORMATION

U.S. To Provide Launch Services for British Satellites

Press release 9 dated January 17

The United States and the United Kingdom on January 17 concluded an agreement that provides for U.K. access to U.S. space launch capabilities on a reimbursable basis. Under the terms of the agreement, the U.K. Department of Trade and Industry will purchase appropriate boosters and launching services from the U.S. National Aeronautics and Space Administration for satellite projects undertaken by DTI. The launchings will be conducted at NASA launch sites in the United States.

The first U.K. satellite planned to be launched under the agreement is the X-4 technology research satellite. A Scout launch vehicle will be used to place the payload into orbit. The launch is scheduled to take place at the U.S. Western Test Range in 1974.

The agreement represents another link in continued U.S.-U.K. cooperation in space activities that since 1960 has included U.K. support of several NASA tracking stations, joint testing of experimental communications satellites, numerous sounding rocket projects, lunar sample experiments by British scientists, and cooperative scientific satellite projects involving four launchings to date, with one additional payload to be launched in 1973.

In a ceremony marking the exchange of diplomatic notes concluding the agreement, Under Secretary of State for Political Affairs U. Alexis Johnson noted that "it is fitting that the first agreement for foreign access to U.S. space launch capabilities pursuant to the President's announcement on October 9, 1972, is with the United Kingdom, with whom we have traditionally had close ties in scientific and technological cooperation."

The British Ambassador to the United

States, the Earl of Cromer, said: "This agreement between our two governments provides a firm and welcome assurance of the future continuation of cooperation, which admirably reflects the spirit of the announcement by the President of the United States on 9 October 1972 about the provisions by the United States of launch assistance to foreign states."

Current Actions

MULTILATERAL

Aviation

Convention for the suppression of unlawful acts against the safety of civil aviation. Done at Montreal September 23, 1971. Entered into force January 26, 1973.

Signatures: Mexico, January 25, 1973; Paraguay, January 23, 1973.

Biological Weapons

Convention on the prohibition of the development, production and stockpiling of bacteriological (biological) and toxin weapons and on their destruction. Done at Washington, London, and Moscow April 10, 1972.¹

Ratification deposited: Poland, January 25, 1973.

Diplomatic Relations

Vienna convention on diplomatic relations. Done at Vienna April 18, 1961. Entered into force April 24, 1964; for the United States December 13, 1972. TIAS 7502.

Accession deposited: Bhutan, December 7, 1972.

Nuclear Weapons—Nonproliferation

Treaty on the nonproliferation of nuclear weapons. Done at Washington, London, and Moscow July 1, 1968. Entered into force March 5, 1970. TIAS 6839.

Ratification deposited: Australia, January 23, 1973.

Ocean Dumping

Convention on the prevention of marine pollution by dumping of wastes and other matter, with annexes. Done at London, Mexico City, Moscow, and Washington December 29, 1972.¹

Signatures: Federal Republic of Germany (with a statement), January 26, 1973; Iceland, December 29, 1972; Khmer Republic, January 2, 1973; Luxembourg, Philippines, December 29, 1972.

Oil Pollution

International convention on the establishment of an international fund for compensation for oil pollution damage. Done at Brussels December 18, 1971.¹

Signatures: Ireland, December 21, 1972; Japan, December 28, 1972; Netherlands, December 22, 1972; Norway, December 21, 1972.

Peace in Viet-Nam

Agreement on ending the war and restoring peace in Viet-Nam and protocols:

Protocol to the agreement on ending the war and restoring peace in Viet-Nam concerning the return of captured military personnel and foreign civilians and captured and detained Vietnamese civilian personnel.

Protocol to the agreement on ending the war and restoring peace in Viet-Nam concerning the cease-fire in South Viet-Nam and the Joint Military Commissions.

Protocol to the agreement on ending the war and restoring peace in Viet-Nam concerning the International Commission of Control and Supervision.

Done at Paris January 27, 1973.

Signatures to agreement and protocols: United States, Republic of Viet-Nam, Democratic Republic of Viet-Nam, Provisional Revolutionary Government of the Republic of South Viet-Nam. Entered into force January 27, 1973.

Racial Discrimination

International convention on the elimination of all forms of racial discrimination. Done at New York December 21, 1965. Entered into force January 4, 1969.²

Ratification deposited: Haiti, December 19, 1972.

Satellite Communications System

Agreement relating to the International Telecommunications Satellite Organization (Intelsat), with annexes. Done at Washington August 20, 1971. Enters into force February 12, 1973. TIAS 7532.

Ratification deposited: Venezuela, January 22, 1973.

Notifications of provisional application: Federal Republic of Germany,³ Turkey, January 24, 1973.

Seabed Disarmament

Treaty on the prohibition of the emplacement of nuclear weapons and other weapons of mass destruction on the seabed and the ocean floor and in the subsoil thereof. Done at Washington, London, and Moscow February 11, 1971. Entered into force May 18, 1972. TIAS 7337.

Ratification deposited: Australia, January 23, 1973.

Space

Convention on international liability for damage caused by space objects. Done at Washington, London, and Moscow March 29, 1972. Entered into force September 1, 1972.²

Accession deposited: Iraq (with a statement), October 4, 1972.

¹ Not in force.

² Not in force for the United States.

³ Applicable to Land Berlin.

Ratifications deposited: Kuwait (with an understanding), November 15, 1972; Poland, January 25, 1973.

Weather Stations

Protocol to amend the agreement on North Atlantic Ocean stations signed at Paris February 25, 1954, as amended (TIAS 3186, 5283, 6812, 7163). Open for signature at Montreal from December 1, 1972. Enters into force on June 1, 1973, provided it has been signed by a majority of the contracting governments, including those responsible in the aggregate for the operation or financing as at July 1, 1972, of at least 17 vessels under the agreement.

Signature: United States, January 23, 1973.

BILATERAL

Argentina

Agreements extending the loan of certain vessels to Argentina pursuant to the agreement of March 4 and April 1, 1960, as amended (TIAS 4455, 4662, 6614), for the loan of vessels. Effected by exchange of notes at Washington October 7, 1971, and January 22, 1973. Entered into force January 22, 1973.

Brazil

Agreement extending the agreement of January 18 and September 10, 1968, as extended, relating to a program of cooperative research in remote sensing for earth resources surveys (TIAS 6569, 7060). Effected by exchange of notes at Washington December 29, 1972. Entered into force December 29, 1972.

Democratic Republic of Viet-Nam

Agreement on ending the war and restoring peace in Viet-Nam and protocols:

Protocol to the agreement on ending the war and restoring peace in Viet-Nam concerning the removal, permanent deactivation, or destruction of mines in the territorial waters, ports, harbors, and waterways of the Democratic Republic of Viet-Nam.

Protocol to the agreement on ending the war and restoring peace in Viet-Nam concerning the return of captured military personnel and foreign civilians and captured and detained Vietnamese civilian personnel.

Protocol to the agreement on ending the war and restoring peace in Viet-Nam concerning the cease-fire in South Viet-Nam and the Joint Military Commissions.

Protocol to the agreement on ending the war and restoring peace in Viet-Nam concerning the International Commission of Control and Supervision.

Done at Paris January 27, 1973. Entered into force January 27, 1973.

PUBLICATIONS

Recent Releases

For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. Address requests direct to the Superintendent of Documents. A 25-percent discount is made on orders for 100 or more copies of any one publication mailed to the same address. Remittances, payable to the Superintendent of Documents, must accompany orders.

People's Republic of China. No. 4 in the Issues in United States Foreign Policy series (replaces "Issues" pamphlet *Communist China* published December 1969). Pub. 8666. East Asian and Pacific Series 206. 44 pp. \$1.25.

Conference on Security and Cooperation in Europe. This pamphlet in the Current Foreign Policy series is based on the testimony of Martin Hillenbrand, then Assistant Secretary of State for European Affairs, before the House Foreign Affairs Committee, Subcommittee on Europe, on April 25, 1972. Pub. 8677. European and British Commonwealth Series 77. 4 pp. 10¢.

U.S. Leads Global War on Drug Abuse. This pamphlet in the Current Foreign Policy series contains the text of a statement submitted to the Senate Internal Security Subcommittee in September 1972 by Nelson Gross, Senior Adviser and Coordinator for International Narcotics Matters at the Department of State. Pub. 8679. General Foreign Policy Series 269. 12 pp. 25¢.

Military Assistance—Deposits Under Foreign Assistance Act of 1971. Agreement with Venezuela. TIAS 7411. 3 pp. 10¢.

Alien Amateur Radio Operators—Continued Application to Fiji of the United States-United Kingdom Agreement of November 26, 1965. Agreement with Fiji. TIAS 7417. 2 pp. 10¢.

Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks. TIAS 7419. 36 pp. 20¢.

Locarno Agreement Establishing an International Classification for Industrial Designs. TIAS 7420. 50 pp. 25¢.

Deposits Under Foreign Assistance Act of 1971. Agreement with Finland. TIAS 7421. 3 pp. 10¢.

Military Assistance—Deposits Under Foreign Assistance Act of 1971. Agreement with Zaire. TIAS 7422. 5 pp. 10¢.

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Press Releases: January 22-28

Press releases may be obtained from the Office of Press Relations, Department of State, Washington, D.C. 20520.

Release issued prior to January 22 which appears in this issue of the BULLETIN is No. 6 of January 16.

No.	Date	Subject
14	1/22	Rogers: statement on death of former President Johnson.
*15	1/24	American Foreign Service Association certified as exclusive representative of Foreign Service employees.
†16	1/26	Montreal Aviation Sabotage Convention enters into force.
*17	1/27	Information on U.S. and foreign civilians captured in South Viet-Nam on lists presented to U.S. representatives in Paris Jan. 27.

* Not printed.

† Held for a later issue of the BULLETIN.

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• No. 1756 •

February 19, 1973

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The Department of State BULLETIN, a weekly publication issued by the Office of Media Services, Bureau of Public Affairs, provides the public and interested agencies of the government with information on developments in the field of U.S. foreign relations and on the work of the Department and the Foreign Service.

The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements, addresses, and news conferences of the President and the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and on treaties of general international interest.

Publications of the Department of State, United Nations documents, and legislative material in the field of international relations are also listed.

President Nixon's News Conference of January 31

Following are excerpts relating to foreign policy from the transcript of a news conference held by President Nixon in the press briefing room at the White House on January 31.

The President: Won't you be seated.

In view of the announcement that has already been made this morning, I know that you will have questions on that and other matters, so we will go right to the questions.¹

I think Miss Thomas [Helen Thomas, United Press International] has the first question.

Q. Can you tell us whether you are going to meet with President Thieu sometime this spring and also give us a better feeling on Dr. Kissinger's [Henry A. Kissinger, Assistant to the President for National Security Affairs] trip, the purpose and so forth?

The President: At some time this spring I do plan to meet with President Thieu. I have discussed the matter with him in correspondence, and I also discussed it yesterday in my meeting with the Foreign Minister [Tran Van Lam]. It will be at a time mutually convenient. The UPI story, incidentally, was on the mark except for the location. The location we have agreed on will be the Western White House this spring.

As far as Dr. Kissinger's trip is concerned,

this is a matter that we feel is very important in terms of developing the postwar relationship with North Viet-Nam. When we look at this very intricate agreement, which Dr. Kissinger so brilliantly briefed for the members of the press—and if you have read it, you will see why I use the word intricate—we can see that insofar as its terms are concerned, if the agreement is kept, there is no question about the fact that we will have peace in not only Viet-Nam but in Indochina for a very long period of time. But the question is whether both parties, in fact, all parties involved, have a will to peace, if they have incentives to peace, if they have desire to peace.

Now, on this particular point it is necessary, of course, for us to talk to the South Vietnamese, as we are. It is also vitally important that we have a direct communication with the North Vietnamese. And Dr. Kissinger will be going to Hanoi to meet with the top leaders of the Government of the DRV. There he will discuss the postwar relationship. He will, of course, discuss the current status of compliance with the peace agreements which we have made, and he will also discuss, in terms of postwar relationships, the matter of the reconstruction program for all of Indochina.

As the leaders probably reported after my meeting with them, the day after I announced the cease-fire agreement, I raised with the leaders the point that the United States would consider for both North Viet-Nam and South Viet-Nam and the other countries in the area a reconstruction program. I, of course, recognized in raising this with the leaders that there would have to be congressional consultation and congressional support. In terms of this particular matter at this time, Dr. Kissinger will

¹The following announcement was made to the press earlier that day by Ronald L. Ziegler, Press Secretary to President Nixon:

"The United States and the Democratic Republic of Viet-Nam have agreed that Dr. Kissinger, Assistant to the President of the United States, will visit Hanoi from February 10-13, 1973, to discuss with the Government of the Democratic Republic of Viet-Nam the postwar relationship between the two countries and other matters of mutual concern."

be having an initial conversation with the North Vietnamese with regard to this whole reconstruction program.

I should also say that I have noted that many Congressmen and Senators and many of the American people are not keen on helping any of the countries in that area, just as they are not keen on foreign aid generally. But as far as I am concerned, whether it is with the North or the South or the other countries in the area, I look upon this as a potential investment in peace. To the extent that the North Vietnamese, for example, participate with us and with other interested countries in reconstruction of North Viet-Nam, they will have a tendency to turn inward to the works of peace rather than turning outward to the works of war.

This, at least, is our motive, and we will know more about it after Dr. Kissinger completes his talks with them, which we think will be quite extensive and very frank since he has already, obviously, paved the way for it.

Q. Mr. President, Dr. Kissinger is going to Viet-Nam and is due there in Hanoi on February 10. Is this related in any way with the first prisoners of war to come out of Hanoi?

The President: Not at all.

Q. I mean, is the date a coincidence?

The President: The date is a pure coincidence, and Dr. Kissinger will not be meeting with the prisoners of war. Incidentally, speaking of the POW question, I have noted some speculation in the press, and it isn't—I should say—it's speculation that is justified, because I understand there was a Defense Department report to this effect, that I was going to go out to Travis Air Force Base to meet the first POW's when they came in.

I do not intend to do so. I have the greatest admiration for the prisoners of war, for their stamina and their courage and the rest, and also for their wives and their parents and their children, who have been so strong during this long period of their vigil.

This is a time that we should not grandstand it; we should not exploit it. We should

remember that it is not like astronauts coming back from the moon after what is, of course, a very, shall we say, spectacular and dangerous journey, but these are men who have been away, sometimes for years. They have a right to have privacy, they have a right to be home with their families just as quickly as they possibly can, and I am going to respect that right, of course, to the extent that any of them or their families desiring to visit the White House can be sure that they will be very high on the list.

Q. Do you have any floor or ceiling dollar figure in mind for the rehabilitation of North Viet-Nam or the rest of Indochina?

The President: Mr. Theis [J. William Theis, Hearst Newspapers], that is a matter that the Members of the Congress raised with me, as you might imagine, and they raised it not only with regard to North Viet-Nam but with regard to South Viet-Nam and Cambodia and Laos in this period as we move into the cease-fire and, we hope, peacetime reconstruction.

I cannot give you that figure now, because it is a matter that has to be negotiated and it must be all part of one pattern. The figure, of course, will come out. The figures will come out, but they must first be discussed with the bipartisan leadership, because with all of this talk about the powers of the Presidency, let me say I am keenly aware of the fact that even though I might believe that a program of reconstruction for North Viet-Nam, as well as South Viet-Nam, is an investment in peace, the Congress has to believe it. The Congress has to support it. And this is going to be one of the more difficult assignments I have had as President, but I think we can make it if the Congress sees what the stakes are.

Q. Mr. President, sir, Senator Hollings says on a recent trip to Southeast Asia he discovered that we are letting some countries, including Japan, have 2 percent money, yet we have denied our own farmers in rural cooperatives 2 percent money. We are telling them they have to have their loans at 5 percent. Would you comment on this

and how this might relate to your upcoming program of aid to Southeast Asia?

The President: Well, as far as the program of aid is concerned and the percentage of interest that is paid, we will, of course, have in mind the interest of the American people. We want to be fair, of course, to those who have been our allies and, in the great tradition of America when it fights wars, to those who have been our enemies, like Germany and Japan, who with America's help now have become our two greatest competitors in the free world.

Now, when you get down to whether the percentage will be 2 percent or 5 percent or 3 percent, that is a matter to be negotiated, but we will be fair, and we will see that our farmers also are treated fairly.

Q. Mr. President, you and people in your administration have been quoted as calling 1973 the year of Europe. Could you tell us exactly what that means to you, and specifically, will you be making a trip to Europe in the next month or so?

The President: I will not be making any trips to Europe, certainly in the first half of this year. Whether I can make any trips later on remains to be seen. As a matter of fact, so that all of you can plan not to take shots, I plan no trips whatever in the first half of this year outside the United States. The meeting with President Thieu, if it does work out at a time mutually convenient, will take place sometime in the spring.

Now, the fact that I don't take a trip to Europe does not mean that this will not be a period when there will be great attention paid to Europe, because it just happens as we complete the long and difficult war in Viet-Nam, we now must turn to the problems of Europe. We have been to the People's Republic of China. We have been to the Soviet Union. We have been paying attention to the problems of Europe, but now those problems will be put on the front burner.

There is the problem of trade, for example. There is the problem of the European Security Conference, which we must

discuss. There is the problem of mutual balanced force reduction (MBFR). All of this will require consultation with our European allies, and in that connection, that is one of the reasons that the Heath visit is so enormously important. I am spending more time with Mr. Heath than I have with some other visitors. I mean by that not that time proves everything, but not only will we have the usual dinners and luncheons and so forth, but I am spending a full day with him at Camp David because I want to get his thoughts about what the position of the United States and our European friends should be with regard to the European Security Conference, with regard to the MBFR, and of course, what the position of the United States should be and the new, broader European Community should be in this period when we can either become competitors in a constructive way or where we can engage in economic confrontation that could lead to bitterness and which would hurt us both.

We want to avoid that, even though it has been predicted by some in this country who really fear the new Europe. I do not fear it if we talk to them and consult at this time.

Q. Mr. President, there are two American fliers still being held prisoner in China, and they are sort of in limbo—well, three Americans, but two fliers. I wonder if you could give us their status, and do you expect them to be returned with the other prisoners?

The President: This matter we discussed when we were in the People's Republic of China, and we have every reason to believe that these fliers will be released on the initiative of the People's Republic of China as the POW situation is worked out in Viet-Nam.

I won't go beyond that, because this is a matter that should be left to the People's Republic of China; but we have, we believe, every assurance that will happen.

Q. [John T.] Downey, also?

The President: Downey is a different case, as you know. Downey involves a CIA agent.

His sentence of 30 years has been, I think, commuted to five years, and we have also discussed that with Premier Chou En-lai. I would have to be quite candid. We have no assurance that any change of action other than the commutation of the sentence will take place, but we have, of course, informed the People's Republic through our private channels that we feel that would be a very salutary action on his part.

But that is a matter where they must act on their own initiative, and it is not one where any public pressures or bellicose statements from here will be helpful in getting his release.

The press: Thank you, Mr. President.

Peace in Perspective

Following is an excerpt from remarks made by President Nixon at the 21st annual National Prayer Breakfast at Washington on February 1.

Weekly Compilation of Presidential Documents dated February 5

I think back to the four years that I have had the privilege to be here as a guest and also of the years before even 1953 when I met with first the House prayer breakfast group and then the Senate prayer breakfast group.

I think, too, of what has happened over these four years, and I think all of us perhaps will remember what a year we have just completed. Since we last met here, just one year ago, we have made the trip to the People's Republic of China, which opened communication with one-fourth of the people who live on this globe, where there had previously been virtually no communication whatever as far as we were concerned.

We made the trip to the Soviet Union, to Moscow, and with the Ambassador from the Soviet Union here and the Mayor from Moscow here, we all realize that that trip had enormous significance in terms of the future of the world in which we live because it was

really the first time that two very great powers sat down together, recognized their differences and also those areas where they could work together, and made agreements, agreements to work together in certain peaceful enterprises and to limit armaments in other enterprises; and so a beginning was made, a very important beginning that needed to be made. That happened this year.

And then finally—and reference has already been made to this—for the first time in 10 years at one of these prayer breakfasts, the President of the United States is able to say the United States is at peace in Vietnam.

Could I put that peace in perspective? I refer to these journeys abroad and also the agreement that has just been reached. We could read too much into the peace that we have talked about, much as we would hope that it could mean everything that we could possibly imagine.

But as we look over the history of agreements between nations and as we look at those periods of peace that follow war, the record is not too encouraging. Because what we often find is that after war and after a period in which a nation has peace, the conflict that we were engaged in in war tends to turn itself inward and we continue to engage in that conflict in peace. And rather than a period of peace being one that is creative and positive, it is one that is negative, one of withdrawal, one of isolation, and that plants the seeds for more conflict not only at home but abroad.

This is the record too often in the past. We must not let it happen now.

I recall, for example, in 1969 right after I had been elected for the first time, a trip to Europe. We had some problems on our campuses at that time, as you may remember. And when I visited one of the European heads of state which had had no war for 25 years—and we had had two; one in Korea, and we were then involved in one in Vietnam—we talked long into the night about the problems of our young people, his and ours. And he made a very profound comment. He said, "The problem with your young

people is war." He said, "The problem with our young people is peace."

We must not let that happen. For our young people and for this Nation, we must recognize that peace is not something that is simply the absence of war; it is an opportunity to do great things—great things for our people at home, great things for people abroad.

I think, for example, of treaties that are made. I have made reference to the fact that the recent agreements that we have signed will mean peace in Viet-Nam, and eventually throughout Indochina, we trust; but it will mean peace only to the extent that both sides and the leaders of both sides have the will to keep the agreement.

All the paper in the world, all the more fancy phrases that could have added to the very intricate phrases that are already in the agreement would mean nothing if the individuals who have the responsibility for keeping the agreement do not keep it.

We will keep the agreement. We expect others to keep the agreement. That is the way peace can be kept abroad—only, in other words, by the will of the individuals involved, and you must change the man or you must change the woman if the agreement is to be kept.

And so it is at home. We are concerned about conflict at home. We are concerned, for example, about the problems that divide us. They talk about the divisions between the generations, the divisions between the races, the divisions between the religions in this country, and we have them.

So we can legislate about some of those divisions. For example, we pass laws, laws providing and guaranteeing rights to equal opportunity, but there is no law that can legislate compassion; there is no law that can legislate understanding; there is no law that can legislate an end to prejudice. That only

comes by changing the man and changing the woman.

That is what all religion is about, however we may worship. That is what our religion is about, those of us who may be of the Christian religion. So today I would simply close with one thought. There is a lyric from a song I recall, that runs something like this: "Let there be peace on earth and let it begin with me."

And so, abroad and at home, let that be our prayer. Let there be peace on earth, and let it begin with each and every one of us in his own heart.

Thank you.

Diplomatic Privileges Extended to Mission of European Communities

AN EXECUTIVE ORDER¹

EXTENDING DIPLOMATIC PRIVILEGES AND IMMUNITIES TO THE MISSION TO THE UNITED STATES OF AMERICA OF THE COMMISSION OF THE EUROPEAN COMMUNITIES AND TO CERTAIN MEMBERS THEREOF

By virtue of the authority vested in me by the Act of October 18, 1972 (Public Law 92-499), and as President of the United States, I hereby extend to the Mission to the United States of America of the Commission of the European Communities, and to the officers of that Mission assigned to Washington to represent the Commission to the Government of the United States and duly notified to and accepted by the Secretary of State, and to their families, the same privileges and immunities, subject to corresponding conditions and obligations, as are enjoyed by diplomatic missions accredited to the United States and by members of the diplomatic staffs thereof.



THE WHITE HOUSE, December 5, 1972.

¹ No. 11689; 37 *Fed. Reg.* 25987.

Deputy Assistant Secretary Sullivan Discusses Viet-Nam Peace Agreement on "Meet the Press"

Following is the transcript of an interview with Deputy Assistant Secretary William H. Sullivan broadcast on the National Broadcasting Company's television and radio program "Meet the Press" on January 28.

Mr. Spivak [Lawrence E. Spivak, permanent member of the "Meet the Press" panel, moderator]: Our guest today on "Meet the Press," answering questions from Paris, is the State Department's top specialist on Southeast Asia, William H. Sullivan. He has been a key member of the U.S. team which negotiated the Viet-Nam peace agreement. Mr. Sullivan, a former Ambassador to Laos, is Deputy Assistant Secretary of State for East Asian and Pacific Affairs.

From our Washington studio now we will have the first questions for Ambassador Sullivan from Alvin Rosenfeld of NBC News.

Mr. Rosenfeld: Mr. Ambassador, reports from Saigon say fighting is continuing today, the day after the cease-fire. How long will it be before you can fairly judge whether serious violations are occurring?

Mr. Sullivan: Well, Mr. Rosenfeld, I have heard some reports from Saigon to indicate that there have been a number of violations of the cease-fire. In fact the figure that I think I heard was 138 violations recorded. These, as I understand it, are small, sporadic attacks. As you know, the forces on both sides are spread in great dispersion throughout the country. We have seen the cease-fire orders that have been broadcast by the Communist command. We expect them to be executed. I think that in the next day or two we will certainly know how seriously these problems are going to affect the cease-fire.

Mr. Rosenfeld: There's also reports from Saigon today, Mr. Ambassador, that the

United States has given official but private assurances to Saigon that we would intervene militarily again if Hanoi commits serious violations. Just what is our commitment? What would we do if a cease-fire breaks down?

Mr. Sullivan: I am not going to speculate on that, Mr. Rosenfeld. I think you have seen Dr. Kissinger's statement concerning the method in which the agreement has stipulated the requirements for carrying out this accord.¹ There are no inhibitions upon us, but we are not going to discuss any hypothetical questions at this time about what the future prospects may bring.

Mr. Gwertzman [Bernard Gwertzman, New York Times]: Mr. Ambassador, we know one of the problems was getting the Saigon government to agree to a settlement. What type of pledges have we made as a government to the Saigon government for the future—economic, military, or political?

Mr. Sullivan: There have been no pledges in the sense that you imply by your question, Mr. Gwertzman. We intend, as the President has said, to attempt to continue to provide economic assistance to Viet-Nam, to South Viet-Nam, and to assist in the rehabilitation of the other states of Indochina. The economic assistance that we intend to supply will be to enable the South Vietnamese to repair their economy and to move toward a much greater degree of economic independence. We also, of course, are prepared, within

¹ For President Nixon's address to the Nation on Jan. 23, a news conference held on Jan. 24 by Henry A. Kissinger, Assistant to the President for National Security Affairs, and texts of the Agreement on Ending the War and Restoring Peace in Viet-Nam and the protocols to the agreement, see BULLETIN of Feb. 12, 1973, p. 153.

the provisions of article 7 of the agreement, to provide replacement military equipment for that which is used up, worn out, destroyed, or damaged. But the pledges of the type you imply just don't exist.

Mr. Gwertzman: Haven't we also promised them that in case of a flagrant violation by North Viet-Nam that the U.S. Air Force in Thailand might take retaliatory steps?

Mr. Sullivan: Mr. Gwertzman, we are not at this stage speculating on what the future, in terms of breakdown of this agreement, would bring about. The fact is that we expect this agreement to be carried out scrupulously. We will retain U.S. Air Force forces in Thailand. We will retain the U.S. 7th Fleet in the Pacific, but we don't intend to indicate at this time any uses that we would have for those military elements.

Mr. Gwertzman: Have we discussed the use of this military power with Hanoi?

Mr. Sullivan: I don't think we are going into discussions of that type either. Hanoi certainly is aware of the existence of those elements, where they will be deployed, and can draw some conclusions.

Situation in Laos and Cambodia

Mr. Noyes [Crosby S. Noyes, Washington Star-News]: Mr. Ambassador, can you talk a little bit about the situation in Laos and Cambodia? We have been getting some rather conflicting reports. Henry Kissinger told us the other day that he expected a cease-fire in Laos within 15 days. Since then there have been news reports that the Laotians expect a major Communist offensive in the near future. What can you tell us about the situation that is going on there now?

Mr. Sullivan: Well, Mr. Noyes, I don't know in great detail, because I am somewhat removed from it here in Paris; but from the reports I have seen, those two statements are not necessarily contradictory. There does appear to be a fairly significant Communist offensive going on in various quarters of Laos at this moment. They are apparently attempting to take some ground which would

be of significance to them in anticipation of the cease-fire.

We have reason to believe there will be a cease-fire in the not too distant future, as Dr. Kissinger indicated.

Mr. Noyes: We have also been told that if the Communists in Laos make a grab for the major population centers there that they are counting on American air support—I mean the Royal Laotian Army is counting on major American air support in this period. What can you say about that?

Mr. Sullivan: Well, first, let me say that I have been associated on and off for 12 or 13 years now with Laos, and there has never yet been a Communist effort to take the major population centers. It is something which is not only probably beyond their capabilities to sustain, but something which for political reasons they would have no great desire to do, so I think again you are posing a hypothetical prospect that we really don't feel we are going to have to face.

In the interim period between now and whenever there is a cease-fire in Laos, we are continuing to provide air support to the Royal Laotian forces in resisting whatever Communist movements that are taking place.

Mr. Noyes: Well, the agreement that we have just signed yesterday states specifically that we will remove our military presence from Laos and Cambodia and will not re-introduce any weapons or even any military materiel. How do they combine? Is there a time element?

Mr. Sullivan: You will discover that the agreement says we shall respect the agreements of 1954 with respect to Cambodia and 1962 with respect to Laos. Now, those agreements do have provisions in them for the supply of military equipment to the Cambodian and to the Lao forces with certain limitations similar to the limitations that are spelled out in this agreement on Viet-Nam.

The question that you were asking I thought had to do with the immediate period prior to the cease-fire. Once the cease-fire goes into effect in Laos, then we would expect

that there would be a cessation of hostilities there; there would be no need for further American intervention. There will be the withdrawal, we expect, of all foreign forces.

I might point out that none of our air which has been used in Laos has ever been based or stationed in Laos.

Mr. Lisagor [Peter Lisagor, Chicago Daily News]: Mr. Ambassador, Mr. Kissinger referred to Viet-Nam as a civil war in his briefing last Wednesday. I would like to ask you how that squares with the U.S. Government, the State Department, calling it all these years an invasion and an aggression from the outside?

Mr. Sullivan: Well, Mr. Lisagor, I think if there were an invasion by, let's say, East Germany into West Germany, we would still consider it an invasion although it would probably be also considered a civil war between the two elements of Germany.

Viet-Nam, as is recognized by the 1954 agreements and as is endorsed by this agreement, is essentially a single country, but it has been divided since 1954 by this provisional demarcation line and if during this period these countries—separate and apart—attack each other in pursuit of their civil scraps with each other, it is certainly an invasion. If the West Germans were to attack the East Germans, I think there would be no doubt what the reaction would be from the Soviets and the others associated with them.

Settlement Through Political Means

Mr. Lisagor: Some say, Ambassador Sullivan, that all we got out of this agreement really was a military stalemate, a truce and not a peace, and it was a thin cover really for the United States getting out of Viet-Nam. Now, people don't quarrel with that, but they say that is in essence what we got. Do you agree with that?

Mr. Sullivan: No, I would say there is more to it than that. First of all, it has to be seen in the configuration, a larger configuration, of Southeast Asia and of East Asia. Remember that we have never really been negotiating here with a government. We have been

negotiating with the Communist party of Indochina, the so-called Lao Dong Party.

This party has had its ambitions for the past 30 years to take over the area that was previously controlled in a colonial way by the French. Now it has had its tentacles in Laos, in Cambodia, and in South Viet-Nam. What has happened, we believe, as a result of this agreement is that there have been certain limits set upon the capability of that party to utilize the military manpower of North Viet-Nam that it has controlled for efforts toward a military victory. There is still going to be a political struggle going on in Indochina, and it is going to be carried on, we believe, with advantages which now accrue to the states that are opposing the Lao Dong Party. And I might say that among the opposition to the Lao Dong Party's domination over Indochina, there is not only the United States but certain other powers which don't really wish to see Indochina brought under that hegemony and control.

Mr. Lisagor: But don't we leave the central issue still up for grabs—and that is the political future of the South Vietnamese Government?

Mr. Sullivan: Absolutely. That is what we, for years, have been saying that we wish to do: to let this problem be settled in a political way and not in a military way and not with outside interference, but to be settled by the people of South Viet-Nam in accordance with the political valence each one could bring to bear.

We believe that if an election were held in the very near future the South Vietnamese voters would turn in a result which would give very short shrift to the Lao Dong, very short shrift to the Communists—perhaps less than 20 percent of the electorate.

Keeping the Agreement

Mr. Spivak: Mr. Ambassador, almost everybody is trying to prove that the Viet-Nam peace agreement won't work. Yet any agreement will work if those who signed it find it wise to keep the agreement. Why do

you think it is wise for North Viet-Nam to keep the agreement?

Mr. Sullivan: Well, the North Vietnamese—again, as I say, North Viet-Nam is merely an area and a population that is currently under the control of the Lao Dong Party. The Lao Dong Party will find it satisfactory, I think, to keep the agreements because there are external pressures which would lead it in that direction. It has discovered that the Chinese and the Soviets are not willing to go to the lengths that it would like them to go to commit themselves for its ambitions. It has discovered that there are certain limitations that it has already reached as far as its military capabilities are concerned. Its manpower it has been drawing from North Viet-Nam is really close to exhaustion. They have killed about 800,000 of their young men that they have sent out of that country in expeditionary forces on behalf of these old men in the Politburo. The generation that they had, this romantic generation, is going to pass; and the time has come when they are going to have to settle down and think in terms of living in this real world rather than in the jungle guerrilla world they have created for themselves.

Mr. Spivak: *Why do you think it is wise for South Viet-Nam to keep the agreements?*

Mr. Sullivan: South Viet-Nam, I think, needs a period of great respite and peace. It needs to be able to build up and consolidate a social fabric and a government that can direct the energies of its people. Its people are intelligent, enormously ingenious, but they have had the disruption that has been going on now ever since the end of the colonial period. South Viet-Nam needs peace; it needs the opportunity to rebuild its structure and to sort out its own lines for the future.

Mr. Spivak: *And lastly, why do you think it is wise for the Viet Cong to keep the agreement?*

Mr. Sullivan: The Viet Cong are going to have to keep the agreement because their external support is going to be more limited than it has been in the past. They will

doubtless be the least happy with this settlement, and there are already indications that they are the people that found the least profit in it from their point of view. They are going to have to find themselves faced either with the prospect of reconciling themselves to the position of a minority in the society and working politically within that society or else going back into the bush and leading the rest of their lives as guerrillas without the type of support that they previously could call upon.

Mr. Roscnfeld: *And yet, Mr. Ambassador, in the South you do have this leopard-spot situation, this unresolved situation. From the practical point of view, what is there to prevent one or both sides from continuing the war, the struggle, by other means: political assassinations, mass roundups, and so forth?*

Mr. Sullivan: As far as the provisions of the agreement are concerned, political assassinations and other acts of violence are forbidden. Now, if you are asking me why would they carry out the terms of the agreement, I think the answer would probably be that not to carry them out, they have learned, produces a situation that is worse than what they are currently tolerating.

We think that they have reached a stage where they realize that neither side is going to be able to win a military victory. If the South Vietnamese had been able to push out all the North Vietnamese troops, that would have been one thing. If the North Vietnamese troops and their Viet Cong cadre had been able to take over major cities and other major centers of population, that would have been another. But neither one of those has occurred, and so they are going to have to start from the situation they are in, work from there, and find some way in which they can reach some accommodations with each other.

What they will be, we don't really know. We don't really want to get in the business of trying to predict, because I frankly think that Americans very, very little understand Indochinese society.

Mr. Gwertzman: There have been some reports that a high-ranking American mission might go out to Hanoi soon for a general talk. Is there any likelihood of this soon?

Mr. Sullivan: I have no comment on that, Mr. Gwertzman. I think you best put that question to whoever the high-ranking missionary is who gave you the tip on it.

Background on Reaching Agreement

Mr. Gwertzman: Can I ask you another question? How much did the Russians and Chinese help in bringing about this agreement? There has been a lot of speculation along that line, but of course officially Moscow and Peking have supported Hanoi down the line.

Mr. Sullivan: Well, we will never know how much once actually went on behind the scenes in the interplay among Moscow, Peking, and Hanoi, but it is very clear that the attitude of China has had a great deal to do with the way in which this situation has worked out.

When President Nixon decided to put the mines into the harbors of North Viet-Nam May 8, he produced a situation in which North Viet-Nam became 100 percent dependent upon China for the provision of its equipment. Everything coming from the Soviet Union had to transit Chinese territory. Nothing could go through the waters and come into Haiphong over the seas. This means that China's preoccupation with Soviet encirclement came into play. This means that China's feeling that it would rather have four balkanized states in Indochina, rather than an Indochina that was dominated by Hanoi and possibly susceptible to Moscow, came into play.

All this sort of background certainly has had an effect upon the situation that we have been able to bring to a peaceful conclusion, but exactly how these forces were played out among the particular Communist personalities, we don't know.

Mr. Noyes: The North Vietnamese, Le Duc Tho and so on, are claiming that this agree-

ment is a notable victory for their side—and apparently they are getting a certain amount of support—that what we have signed in Paris is a victory for the Socialist states. Do you agree with that, or what is your comment on that?

Mr. Sullivan: If it makes them happy and gives them any solace to consider it such, I think it probably is about as small a peace as they can carry away from the negotiating table.

Mr. Noyes: Well now, we have been told that until October 8, or early in October, that their negotiating demands were totally unacceptable to us. What do you think it was that made them change their demands at that time?

Mr. Sullivan: I think they probably had prepared to change their demands sometime earlier in the summer when the full effect of the mining had set in and the degree of supplies which they discovered they could get through China had become calculated and their offensives in the South had been turned back with very heavy losses to themselves. They probably came to the conclusion that they had to drop all these demands that they had sought continuously since 1968: the overthrow of President Thieu, the establishment of a coalition government, the cutoff of all American economic support, and no future replacement of military equipment. All this went by the board very suddenly in October, October 8, but it clearly was an accumulation of events and of decisions that brought that upon them.

We had made this general proposition to them that they accepted as early as May 31, 1971, in private talks. We made it publicly on May 8, 1972.²

They knew that they could settle on those terms. When they came in on October 8, they knew they were coming in for a settlement, and they knew that settlement represented an enormous step back from their ambitions and from the ambitions of what you have

² For President Nixon's address to the Nation on May 8, 1972, see BULLETIN of May 29, 1972, p. 747.

previously called the victory of the Socialist world.

Mr. Lisagor: Mr. Sullivan, Mrs. [Nguyen Thi] Binh, the Viet Cong representative, said President Nixon was violating the spirit of the agreement when he said the United States recognizes the Saigon government as the sole legitimate government of South Viet-Nam. Does her complaint have merit under this agreement?

Mr. Sullivan: No, not at all. We have certainly the privilege and the right to choose to recognize a government. We recognize the Government of Viet-Nam and always have. Mrs. Binh's government, so-called, does not have a capital, does not have any outward manifestations that make it feasible to be called a government.

Mr. Lisagor: Is there an implicit aid commitment to North Viet-Nam? Has there been a secret understanding or private understanding that we will supply reconstruction aid to North Viet-Nam?

Mr. Sullivan: There is nothing secret about the statement. It is in the—I can't remember which article it finally ended up in—article 21, I believe, of the agreement, saying that we, in the spirit and the practice of our normal traditions of binding up the wounds of war, will assist in the reconstruction of Indochina, including North Viet-Nam. We are going to give that sort of assistance. We have not yet had any detailed discussions with the North Vietnamese concerning that sort of assistance, but there is nothing secret about the fact that we are going to be doing that.

Mr. Spivak: Mr. Ambassador, since only North Viet-Nam knows all the American prisoners they hold, how can we be sure that all will be returned and some won't be held for ransom?

Mr. Sullivan: Well, Mr.—I assume that was Mr. Spivak. I have no video here, and as I told Mr. Lisagor, it looks much better this way, but, Mr. Spivak, article 8 of the agreement, which concerns prisoners, has

three paragraphs in it, as you may note. Article 8(a) concerns the U.S. military prisoners and foreign civilians. Article 8(b) concerns the problem that you are just talking about. We want an accounting for all those missing in action. We want the right to have our graves registration teams and others go in and exhume bodies or otherwise give us satisfaction that what has been turned over is the full total of prisoners being held. Now, there would be no reason to hold prisoners for ransom, because if prisoners were held there would be nothing they could ransom them against. We have a settlement. But the fact is we will demand, and of course this will be reciprocal, this will be among all the parties, the prospect—

Mr. Spivak: I am sorry to interrupt, but our time is up. Thank you, Ambassador Sullivan, for being with us today on "Meet the Press."

National Energy Requirements and Oil Import Policy

Following is a statement made before the Senate Committee on Interior and Insular Affairs on January 22 by Willis C. Armstrong, Assistant Secretary for Economic and Business Affairs.¹

We appreciate your invitation to testify on this important question. Secretary Rogers has asked me to express his regret that he was unable to testify today. He looks forward to meeting with your committee at a later date.

The Department of State believes that a sound oil import policy is an essential element of a national energy policy. We have attempted, in written testimony which I am submitting separately, to answer the pertinent questions which you have asked us.

¹ The complete transcript of the hearings will be published by the committee and will be available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

We believe that our oil import program has been necessary and useful. In the past it has shielded us from the supply disruptions caused by crises such as those in the Middle East in 1956 and 1967 and has enabled us on those occasions to help fill the needs of our European allies. It has not been able, however, to give us lasting protection against limited domestic production and growing demand.

Today our reliance on imported fuels is already greater than that foreseen by the President's task force of 1969, and our ability to help our allies has been absent for some time. We believe that a continuation of some limitation on imports is and will remain essential, but we recognize that an import policy alone cannot restore the more comfortable level of self-sufficiency and security we enjoyed previously. A searching look at our national energy requirements and options is called for and is now underway in the administration as well as in this committee. We expect that as a result of the policy initiatives and legislation that will emerge from this review, our government will be able to act decisively and in a concerted manner to meet the problems which face us.

No matter what policies we adopt, however, our dependence on imports is certain to continue to grow for a number of years. We are already the world's largest importer of oil, and our impact on the world's petroleum market is considerable and growing. As we look at that market, we see that it is in a state of profound transformation and considerable instability. A large number of oil-importing nations, faced with rapidly increasing domestic consumption and few or no short- or even medium-term alternatives, must turn to a small number of exporting countries for ever-increasing amounts of oil. Those producers have declared their intention to maximize their profits from the sale of what is, in most cases, their only important national resource. They have succeeded over the past three years in driving up oil prices to a very significant degree and are now embarked on a major, and so far successful, effort to change the very nature of

the international petroleum market through negotiating eventual control of the producing companies and a greater share of oil marketing. The rate of change has been very rapid over the past few years, and the oil-importing nations feel increasingly unsure about the effect of future changes on their ability to find and pay for their necessary oil supplies.

We must recognize in this context that what we do, as an importer of increasingly large quantities of oil, will have a profound impact on this world oil market. To our European and Japanese allies, we are competitors for available supplies. They are concerned that efforts on our part to obtain secure supplies for ourselves may be made at the expense of the security of their own supplies, and they are watching our actions closely. They will welcome the actions our government takes to stop the deterioration of our self-sufficiency in energy.

As you know, the State Department has testified previously that we believe that first priority should go to actions to cut the rate of growth in our energy imports, both by improving our self-sufficiency and by reducing the rate of growth of our consumption. Since, however, our import needs will nonetheless continue to grow, we believe that priority should also be given to developing increased supplies from our neighbors in the Western Hemisphere, both because those supplies are inherently more secure and because this would increase the total availability of supplies. Unfortunately, under present economic conditions and the state of uncertainty concerning the national energy policies of the United States, Venezuela, and Canada, it does not appear likely that large increases in supply will be developed quickly enough from Western Hemisphere countries. Nonetheless, we have maintained consultations with both the Canadian and Venezuelan Governments with the purpose of reaching agreement on ways to stimulate increased supplies from these two sources. We hope that our efforts will be successful.

We recognize, however, that increased imports of conventional oil from the West-

ern Hemisphere cannot in the near future, or perhaps even in the long run, meet our import needs. Early in the next decade, large additional supplies may become available from sources such as the Canadian tar sands or the Venezuelan heavy-oil belt; but for the 8-10 years more immediately upon us, our increased imports will have to come largely from the Eastern Hemisphere. Therein lies not only more potential insecurity regarding supply sources and transport routes for us but also the basis for increased competition between ourselves and the other importers for available supplies. We believe such competition would be harmful to all oil importers and would only serve to drive up prices and to strengthen the bargaining power of the exporting nations. We believe that this should be avoided and are pleased that other members of the Organization for Economic Cooperation and Development are prepared to join us in discussing ways in which cooperation among oil-importing nations can be strengthened. We believe that there is a good chance that the major oil-importing nations will be willing to act jointly in developing a common energy strategy rather than to act piecemeal as has been the case to date. Necessary to the conditions for greater cooperation among oil-consuming nations, we believe, will be a readiness on our part to act with restraint in seeking to assure our own supplies from Eastern Hemisphere exporters. We must at the same time, however, continue to strengthen and improve our relations with the oil-exporting nations.

In summary, we believe that we must now consider new steps in our national resource and import policies which will strengthen our own security by reducing our requirements for imported energy, enable us to de-

velop new sources of more secure imports, and strengthen our cooperation with other oil-importing nations as well as with oil producers.

John Updike Visits Africa Under Lincoln Lectureships

The Department of State announced on January 17 (press release 10) that John H. Updike was to visit Ghana, Nigeria, Tanzania, Kenya, and Ethiopia from January 21 through February 14 as a Lincoln Lecturer.

The Lincoln Lectureships were announced by President Nixon last August in a letter to Dr. James H. Billington, Chairman of the Board of Foreign Scholarships, which marked the completion of 25 years of educational exchanges under the Fulbright-Hays and earlier acts.¹

Mr. Updike, who received the Rosenthal Award from the National Institute of Arts and Letters in 1960 and the O'Henry Prize Story Award in 1968, is one of four Americans from the academic and cultural community chosen by the Board for the lectureships during the 1972-73 academic year. (For further biographic data, see press release 10.) The others are: Charles H. Townes, Nobel Prize winner for physics and professor at the University of California, Berkeley; John Hope Franklin, professor of history, University of Chicago; and Paul A. Samuelson, Nobel Prize-winning professor of economics, Massachusetts Institute of Technology.

¹ For text of the letter, see BULLETIN of Sept. 4, 1972, p. 252.

The Budget of the United States Government—Fiscal Year 1974 (Excerpts)¹

PART 1—THE BUDGET MESSAGE OF THE PRESIDENT

To the Congress of the United States:

The 1974 budget fulfills my pledge to hold down Federal spending so that there will be no need for a tax increase.

This is a budget that will continue to move the Nation's economy toward a goal it has not achieved in nearly two decades: a high employment prosperity for America's citizens without inflation and without war.

Rarely is a budget message perceived as a dramatic document. In a real sense, however, the 1974 budget is the clear evidence of the kind of change in direction demanded by the great majority of the American people. No longer will power flow inexorably to Washington. Instead, the power to make many major decisions and to help meet local needs will be returned to where it belongs—to State and local officials, men and women accountable to an alert citizenry and responsive to local conditions and opinions.

The 1974 budget proposes a leaner Federal bureaucracy, increased reliance on State and local governments to carry out what are primarily State and local responsibilities, and greater freedom for the American people to make for themselves fundamental choices about what is best for them.

This budget concerns itself not only with

the needs of all the people, but with an idea that is central to the preservation of democracy: the "consent of the governed."

The American people as a whole—the "governed"—will give their consent to the spending of their dollars if they can be provided a greater say in how the money is spent and a greater assurance that their money is used wisely and efficiently by government. They will consent to the expenditure of their tax dollars as long as individual incentive is not sapped by an ever-increasing percentage of earnings taken for taxes.

Since the mid-1950's, the share of the Nation's output taken by all governments in the United States—Federal, State, and local—has increased from a quarter to a third. It need not and should not go higher.

The increase in government claims on taxpayers was not for defense programs. In fact, the defense share of the gross national product declined by one-quarter while the share for civilian activities of all governments grew by three-fourths, rising from 14% of the gross national product in 1955 to about 25% in 1972.

In no sense have Federal civilian programs been starved; their share of the gross national product will increase from 6½% in 1955 to 14% in 1972. Nor will they be starved by the budget that I am proposing. A generous increase in outlays is provided each year by the normal growth in revenues. Higher Federal tax rates are not needed now or in the years ahead to assure adequate resources for properly responsive government—if the business of government is managed well. And revenue sharing will help State and local governments avoid higher taxes.

During the past 2 years, with the econ-

¹ H. Doc. 93-15, 93d Cong., 1st sess.; transmitted on Jan. 29. Reprinted here are excerpts from part 1 and excerpts from the section on national defense and the full text of the section on international affairs and finance from part 4 of the 392-page volume entitled *The Budget of the United States Government—Fiscal Year 1974*, for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20420 (\$2.60).

omy operating below capacity and the threat of inflation receding, the Federal budget provided fiscal stimulus that moved the economy toward full employment. The 1974 budget recognizes the Federal Government's continuing obligation to help create and maintain—through sound monetary and fiscal policies—the conditions in which the national economy will prosper and new job opportunities will be developed. However, instead of operating primarily as a stimulus, the budget must now guard against inflation.

The surest way to avoid inflation or higher taxes or both is for the Congress to join me in a concerted effort to control Federal spending. I therefore propose that before the Congress approves any spending bill, it establish a rigid ceiling on spending, limiting total 1974 outlays to the \$268.7 billion recommended in this budget.

I do not believe the American people want higher taxes any more than they want inflation. I am proposing to avoid both higher taxes and inflation by holding spending in 1974 and 1975 to no more than revenues would be at full employment.

Building a Lasting Structure of Peace

Building a lasting peace requires much more than wishful thinking. It can be achieved and preserved only through patient diplomacy and negotiation supported by military strength. To be durable, peace must also rest upon a foundation of mutual interest and respect among nations. It must be so constructed that those who might otherwise be tempted to destroy it have an incentive to preserve it.

The 1974 budget supports America's efforts to establish such a peace in two important ways. First, it maintains the military strength we will need to support our negotiations and diplomacy. Second, it proposes a sound fiscal policy that, supported by a complementary monetary policy, will contribute to prosperity and economic stability here and abroad.

Our strength, together with our willing-

ness to negotiate, already has enabled us to begin building a structure for lasting world peace and to contribute to a general relaxation of world tensions.

—We have made substantial progress toward ending our involvement in the difficult war in Southeast Asia.

—In the past 4 years, we have concluded more significant agreements with the Soviet Union than in all previous years since World War II, including the historic agreement for limiting strategic nuclear arms.

—We have ended nearly a quarter century of mutual isolation between the United States and the People's Republic of China and can look forward to the development of peaceful cooperation in areas of mutual interest.

In this atmosphere, other nations have also begun to move toward peaceful settlement of their differences.

One of the results of our negotiations, taken together with the success of the Nixon Doctrine, our substantial disengagement from Vietnam, and the increased effectiveness of newer weapons systems, has been a significant but prudent reduction in our military forces. Total manpower has been reduced by about one-third since 1968, and will be further reduced as we end the draft and achieve an All-Volunteer Force. At the same time, our allies are assuming an increasing share of the burden of providing for their defense.

As a result, defense outlays have been kept in line. In 1974, they will be substantially the same as in 1968. During the same period, the total budget has grown by 50%, and nondefense outlays have grown by 91%, or \$90 billion. When adjusted for pay and price increases, defense spending in 1974 will be about the same as in 1973 and about one-third *below* 1968.

But, while this Administration has succeeded in eliminating unnecessary defense spending, it is equally determined to spend whatever is necessary for national security. Our 1974 budget achieves this goal. It assures us of sufficient strength to preserve our security and to continue as a major

force for peace. Moreover, this strength will be supported, beginning this year, without reliance on a peacetime draft.

A framework for international economic progress is an important part of our efforts for peace. A solid beginning has been made on international monetary reform through our participation in the ongoing discussions of the Committee of Twenty. We will continue to press these efforts during the year ahead.

Our foreign assistance programs also reflect our intention to build a lasting structure of peace through a mutual sharing of burdens and benefits. America will remain firm in its support of friendly nations that seek economic advancement and a secure defense. But we also expect other nations to do their part, and the 1974 budget for foreign assistance is based upon this expectation.

Our goal is a durable peace that is sustained by the self-interest of all nations in preserving it. Our continuing military strength and our programs for international economic progress, as provided for in this budget, will bring us closer to that goal for ourselves and for posterity.

Conclusion

The respect given to the common sense of the common man is what has made America the most uncommon of nations.

Common sense tells us that government cannot make a habit of living beyond its means. If we are not willing to make some sacrifices in holding down spending, we will be forced to make a much greater sacrifice in higher taxes or renewed inflation.

Common sense tells us that a family budget cannot succeed if every member of the family plans his own spending individually—which is how the Congress operates today. We must set an overall ceiling and affix the responsibility for staying within that ceiling.

Common sense tells us that we must not abuse an economic system that already pro-

vides more income for more people than any other system by suffocating the productive members of the society with excessive tax rates.

Common sense tells us that it is more important to save tax dollars than to save bureaucratic reputations. By abandoning programs that have failed, we do not close our eyes to problems that exist; we shift resources to more productive use.

It is hard to argue with these common sense judgments; surprisingly, it is just as hard to put them into action. Lethargy, habit, pride, and politics combine to resist the necessary process of change, but I am confident that the expressed will of the people will not be denied.

Two years ago, I spoke of the need for a new American Revolution to return power to people and put the individual *self* back in the idea of *self-government*. The 1974 budget moves us firmly toward that goal.

RICHARD NIXON.

JANUARY 29, 1973.

PART 4—THE FEDERAL PROGRAM BY FUNCTION

National Defense

Our national security strategy is designed to move us toward the goal of a generation of peace through strength, partnership and negotiation. In the past 4 years we have demonstrated that there can be meaningful negotiation only if we maintain adequate military strength and effective partnership with our allies. Forces and programs proposed in 1974, together with those of our allies, continue to be designed to deter military conflict at any level.

In implementing our strategy for peace, we have significantly improved our relations with the Soviet Union and the People's Republic of China. At the same time, in accord with the Nixon doctrine, our allies have assumed a greater share of the burden for their own defense. These developments, and the increased effectiveness of modern weapon systems, have enabled us to reduce our military forces without jeopardizing our strength or abandoning our commitments. Military personnel planned for 1974 are 37% lower than in 1968. Active Army and Marine Corps divisions have been reduced from

NATIONAL DEFENSE

Program Highlights

- Provided a sufficient nuclear deterrent while seeking permanent mutual limitations in strategic offensive forces.
- Initiated modernization of the general purpose forces for their role in deterring conventional attacks while pursuing efforts to achieve mutual and balanced force reductions.
- Conducted a vigorous research and development program to maintain force effectiveness and technological superiority.

Budget Proposals

- Maintain military strength as a foundation for further negotiations to achieve lasting peace.
- Increase total national defense outlays from \$76.4 billion in 1973 to \$81.1 billion in 1974 and \$85.5 billion in 1975 primarily due to pay and price increases.
- Offset selected increases necessary to maintain the strength and readiness of our combat forces by savings and reductions.
- Achieve an All-Volunteer Force.

23½ to 16. Older ships have been retired from the fleet and selected reductions have been made in both strategic and tactical aircraft. The potential for further force adjustments, however, depends upon achieving effective arms limitation agreements.

NATIONAL DEFENSE

(In millions of dollars)

Program or agency	Outlays			Recommended budget authority for 1974 ¹
	1972 actual	1973 estimate	1974 estimate	
Department of Defense—				
Military ^{2,3}	75,151	74,200	73,200	83,451
Military assistance ^{2,3}	806	600	800	1,684
Subtotal, Military and Military Assistance^{2,3}	75,957	74,800	79,000	85,165
Atomic Energy ^{2,3}	2,392	2,194	2,374	2,429
Defense-related activities	95	192	83	91
Deductions for offsetting receipts:				
Proprietary receipts from the public ⁴	-103	-751	-382	-382
Total	78,336	76,435	81,074	87,303

¹ Compares with budget authority of \$80,314 million in 1972 and \$81,719 million in 1973.

² Entries net of offsetting receipts.

³ Includes both Federal funds and trust funds.

⁴ Excludes offsetting receipts which have been deducted by subfunctions above: 1972, -\$1,260 million; 1973, -\$2,547 million; 1974, -\$2,717 million.

The cost of maintaining our strength continues to be substantial but far less than the cost of allowing our defenses to deteriorate. Outlays for the national defense function will increase from \$76.4 billion in 1973 to \$81.1 billion in 1974. The cost of modernizing our forces will be largely offset by savings and reductions. Total outlays increase primarily as the result of an additional \$4.1 billion required to maintain military and civilian pay levels comparable to those in the private sector, to raise pay and benefit levels sufficient to achieve an All-Volunteer Force, to meet normal price increases, and to pay for higher military retirement annuities.

National defense outlays are expected to increase in 1975 to \$85.5 billion also primarily due to pay and price increases. The cost of essential improvements in readiness and equipment will be offset through savings and efficiencies.

Department of Defense—The Department of Defense budget continues to provide the strong defense posture essential for the security of the United States and for the support of negotiations which are moving us toward peace. The 1974 budget checks the past trend of rising manpower costs and devotes major emphasis to equipment modernization and research and development. The proportion of the defense budget devoted to manpower costs in 1974 will be held to the 1973 level, about 56%, after increasing from 42% in 1968—the peak of the Vietnam war.

DEPARTMENT OF DEFENSE OUTLAYS¹

	Actual		Estimated	
	1968	1972	1973	1974
Outlays (in billions):				
Manpower	32.6	40.2	41.8	43.9
Operating costs (other than payroll)	12.3	11.4	11.2	11.5
Investment ²	33.1	24.3	21.8	23.6
Total	78.0	76.0	74.8	79.0
Percent of total:				
Manpower	42	53	56	56
Operating costs (other than payroll)	16	15	15	15
Investment ²	42	32	29	29
Total	100	100	100	100

¹ Includes military assistance program and foreign military sales programs.

² Includes procurement; research, development, test, and evaluation; and construction.

The surge in manpower costs is being curbed by holding pay and benefit increases to much lower levels than those of recent years, by further reductions in personnel, and by other means. Intensive efforts have been made to increase the efficiency of available personnel. Reductions in headquarters, training and support activities will reduce the number of support personnel and overhead costs. Replacement of 31,000 military personnel by civilians in positions not requiring military skills will result in further support cost reductions. Through these

actions defense military and civilian manpower strengths will be budgeted at the lowest level since 1950.

Another way of looking at the defense budget is in terms of military program or mission to be accomplished. The accompanying table displays the major Department of Defense programs in terms of total obligational authority. This is a measure of the total activity approved in each year.

SUMMARY OF THE DEPARTMENT OF DEFENSE BUDGET PROGRAM¹

[In billions of dollars]

Major military programs	Total obligational authority			
	Actual		Estimate	
	1968	1972	1973	1974
Strategic forces -----	7.2	7.5	7.4	7.4
General purpose forces -----	30.4	25.2	25.7	26.4
Intelligence and communica- tions -----	5.5	5.4	5.7	6.0
Airlift and sealift -----	1.8	1.1	.9	.8
Guard and Reserve -----	2.2	3.3	4.0	4.4
Research and development ² -----	4.3	6.1	6.5	7.4
Central supply and maintenance Training, medical, and other general personnel activities --	8.4	8.5	8.7	8.4
Administration and associated activities -----	12.2	15.5	16.4	18.2
Support of other nations -----	1.2	1.6	1.7	1.7
	1.8	2.6	2.9	2.9
Total obligational authority -----	75.0	76.8	80.0	83.7
Less prior year funds and other financial adjustments --	1.4	-1.7	-2.2	-0.2
Total budget authority ---	76.4	75.1	77.8	83.5

¹ Excludes military assistance program and foreign military sales programs.

² Excludes R. & D. in other program areas on systems approved for production.

Strategic forces.—Our nuclear forces must be sufficient to deter nuclear attack against the United States and our allies. For this purpose we maintain an effective combination of strategic offensive forces, including intercontinental ballistic missiles [ICBM's], manned strategic bombers, submarine-launched ballistic missiles and the systems necessary to their command and control in a nuclear attack environment.

This year's program completes the one Safeguard ABM [antiballistic missile] site located at Grand Forks, N. Dak., but stops work on the second site located at Malmstrom, Mont., in accordance with the SALT [Strategic Arms Limitation Talks] treaty. Funds are not included this year to support the deployment of an ABM defense of Washington, D.C. However, we will continue to plan for deployment of a defense of our Capital using components developed for Safeguard or the more advanced ABM system being developed in the Site Defense program. This latter program has as its primary aim the development of an effective ABM defense for ICBM fields or other point targets as a hedge against abrogation of the ABM treaty.

The SALT talks also resulted in an interim

agreement to limit offensive nuclear forces and have led to further negotiations aimed at achieving an equitable and effective treaty on offensive force limitations. However, until such a treaty is negotiated, we will maintain our current strength to insure the viability of our deterrent and to provide the Soviet Union an incentive for meaningful negotiations. Total obligational authority of \$7.4 billion is proposed in 1974 for strategic forces. These funds will permit us to:

- Continue development of the Trident sea-based ballistic missile system;
- Further develop the B-1 advanced manned strategic bomber;
- Continue the conversion of ballistic missile forces to the Minuteman III and Poseidon systems which are equipped with multiple warheads;
- Begin development of a strategic submarine-launched cruise missile;
- Pursue research and development on Site Defense.
- Further improve our early warning capability against ballistic missiles; and
- Upgrade our strategic command and control through development of the advanced airborne command post and of satellite communications.

General purpose forces.—The improvement in our relations with the Warsaw Pact countries and the People's Republic of China is encouraging evidence that further progress toward a relaxation of international tension may be possible. The Soviet Union and the People's Republic of China, however, continue to maintain large and capable forces. While the strategic nuclear power of the United States and the Soviet Union is in approximate balance, it is unrealistic to expect that the risk of escalation to strategic nuclear war will deter either aggression with conventional forces or against smaller countries. Therefore, we will continue to maintain the strong and ready general purpose forces needed to provide, in conjunction with the forces of our allies, a realistic and credible deterrent to aggression at any level.

Our *land forces* will be modernized and maintained at a high state of readiness. Armored capability will be enhanced with the procurement of additional M60 tanks and wire-guided antitank missiles. Additional purchases of the improved Hawk missile system will upgrade Army and Marine Corps field defenses against low- and medium-altitude supersonic aircraft. A reduction in the number of Army wheeled vehicles and the procurement of commercial vehicles in place of specialized vehicles should result in significant savings.

The United States relies on *naval forces* to preserve our right to use the seas. We plan to support a more ready and capable, though smaller, fleet through the retirement or modernization of existing

ships and a vigorous shipbuilding program. To enhance the capabilities of our sea-control forces, this budget includes procurement of five nuclear-powered submarines, construction of a nuclear-powered aircraft carrier, and the modernization of three guided-missile frigates. Also included are initial funds for the first Sea Control Ship. Improvements are planned in surface-to-air missiles, torpedoes, sonars, and radars.

Aircraft development and procurement provided for in this budget will assure continued air superiority for the *tactical air forces*. For the Air Force, additional F-15 fighters—with combat performance and maneuverability designed to exceed any other known aircraft—are being purchased. For ground attack, development will continue on the A-X close air-support system which will combine the ability to deliver large ordnance payloads on enemy ground positions with increased assurances of survival in the battle area.

The Navy will deploy its new fleet fighter, the F-14. This aircraft, with its load of up to six Phoenix air-to-air missiles, is designed to intercept and destroy enemy aircraft before they can threaten the fleet. In addition, the Navy is enhancing its anti-submarine warfare capabilities with the introduction of the S-3 Viking aircraft system.

Modernization of the Marine air wings will be accomplished by purchasing the latest F-4 Phantom for air superiority, A-4 attack aircraft for heavier bombing strikes, and the vertical takeoff and landing AV-8 Harrier for close air support of ground forces.

The inventory of air-launched munitions will be upgraded with procurement of the latest guided bombs and missiles.

Guard and Reserve.—Under the Total Force Concept, Guard and Reserve forces have been modernized and are now designated as the primary source for augmenting the active forces in an emergency. High priority is being given to improving mobilization readiness through equipment modernization, intensified training, and conversion of units to higher priority missions or elimination of elements no longer required.

Without the draft, manning the reserve forces will be more difficult than attracting active force volunteers. A large percentage of reserve members, for example, were motivated to volunteer for duty to avoid the threat of being drafted. Once the draft is terminated this source of volunteers will disappear. To fill this gap, reserve units have intensified retention and recruiting efforts. Some success has been achieved with individuals having prior military service; but, additional incentives are proposed to achieve manpower levels needed to fulfill the National Guard and Reserve mission.

Research and development.—A vigorous research and development program is essential to maintain

force effectiveness and technological superiority. At a time when high manpower costs and the transition to an All-Volunteer Force place greater emphasis on effective manpower usage, investment in military technology is necessary to assure increasing individual effectiveness.

In addition to maintaining force effectiveness and technological superiority, efforts are being directed toward reducing investment and operating costs. The design-to-cost approach will be expanded in the development of systems such as the lightweight fighter prototypes for the Air Force, a new main battle tank for the Army, and the Agile air-to-air missile for the Navy. Lower operating costs, including the maintenance and support of systems, will be emphasized as a specific design goal for these new systems.

Improvements in the efficiency of the R. & D. and procurement processes will be sought by emphasizing prototypes, improving test and evaluation, minimizing simultaneous development and production, and by cooperating with our allies to make more efficient use of joint technical resources.

Support of other nations.—This program includes direct support by DOD for designated forces in Southeast Asia, the military personnel costs of military assistance missions and advisory groups around the world, the U.S. share of the cost of international military headquarters, and NATO common logistics. For 1974, \$2.9 billion in total obligation authority is recommended for this program. This completes the major portion of investment for South Vietnamese forces.

Military assistance.—Military assistance and credit sales programs provide the support necessary to strengthen the efforts of other countries to provide for their own defense—a fundamental requirement for the success of the Nixon doctrine. (Additional discussion of these programs is contained in the International Affairs and Finance section.)

International Affairs and Finance

With the Presidential trips to Moscow and Peking, the strategic arms limitation agreements, the Berlin accords, and the lessening of American military involvement in Vietnam, the United States is moving decisively to end the postwar era of confrontation and build a durable structure of peace. Our goal is a network of relationships and interdependencies which will give each nation a stake in the peace. Our tools are those of diplomacy and negotiation, foreign assistance, international monetary reform and trade expansion, and the exchange of persons and ideas.

The 1974 budget for international programs provides means to seek the goal of peace commensurate with our opportunities and at the minimum level of resources required. Outlays for international affairs and finance are estimated to be \$3.8 billion in 1974. In 1975, outlays are also expected to be \$3.8 billion.

INTERNATIONAL AFFAIRS AND FINANCE

[In millions of dollars]

Program or agency	Outlays			Recommended budget authority for 1974 ²
	1972 actual	1973 estimate ¹	1974 estimate	
Economic and financial assistance:				
International security assistance:				
(Military assistance) ^{3,4}	(719)	(759)	(791)	(1,085)
Security supporting assistance	717	563	708	729
International development assistance:				
Multilateral	472	567	682	1,374
Bilateral ⁵	911	976	871	909
President's foreign assistance contingency fund	43	23	19	30
Export-Import Bank ⁶	39	---	---	---
Peace Corps (Action) ⁶	77	83	77	78
Other	28	61	50	40
Food for Peace	993	847	766	654
Foreign information and exchange activities:				
United States Information Agency ⁶	198	207	213	224
Department of State and other	44	48	54	60
Radio Free Europe/Radio Liberty	32	39	45	45
Conduct of foreign affairs:				
Department of State ^{6,7}	437	486	522	521
Other	15	17	16	15
Deduction for offsetting receipts:				
Intrabudgetary transactions ⁸	*	*	*	*
Proprietary receipts from the public	-280	-574	-213	-213
Total	3,726	3,341	3,811	4,465

¹ Amounts for programs included in the Foreign Assistance Appropriation Act, 1973, are based on the annual rates specified in the temporary continuing resolution for the period October 15, 1972, through February 28, 1973 (Public Law 92-571).

² Compares with budget authority of \$5,010 million for 1972 and \$3,705 million for 1973.

³ Outlays and budget authority for military assistance are classified in the national defense function. They are not included in the totals shown for international affairs and finance.

⁴ Excludes trust funds. Net of offsetting receipts.

⁵ Includes both Federal funds and trust funds.

⁶ Transactions of the Export-Import Bank were removed from the budget totals by Act of Congress (Public Law 92-126), as of Aug. 17, 1971.

⁷ Entries net of offsetting receipts.

⁸ Excludes offsetting receipts which have been deducted by subfunction above: 1972, \$9 million; 1973, \$14 million; 1974, \$15 million.

* Less than \$0.5 million.

Economic and financial assistance.—Foreign assistance programs reflect our intention to build a lasting structure of peace on a mutual sharing of burdens and benefits. The United States will remain steadfast in its support of friendly countries that seek economic advancement and a secure defense; but we also expect other nations to do their part. Thus, the 1974 budget estimates are derived not only from a careful assessment of the assistance necessary to achieve our foreign policy objectives,

but also in the expectation that fulfilling our obligations will call forth comparable efforts by other nations.

At the time this budget was prepared, the Congress had enacted neither the Foreign Assistance Act of 1972 nor the Foreign Assistance Appropriation Act for 1973. Accordingly, the 1973 estimates for foreign assistance used throughout the budget are based, where applicable, on the annual rates specified in the temporary continuing resolution for the period beginning October 15, 1972, and ending February 28, 1973. These rates are not the same as the budget request that the President presented to Congress in January 1972.

Foreign assistance programs serve international security, developmental, and humanitarian purposes. They are under the direction of the Secretary of State.

INTERNATIONAL AFFAIRS AND FINANCE PROGRAM TRENDS

Program Highlights

- Concluded initial strategic arms limitation agreements with the Soviet Union and began the second phase of negotiations.
- Began progress toward reform of the international monetary system.
- Streamlined administration of foreign economic assistance and reduced personnel in Washington and abroad.
- Expanded programs to control illegal production and distribution of narcotics and dangerous drugs, a major foreign policy objective.
- Provided large scale assistance to Bangladesh and the Philippines for relief and rehabilitation.

Budget proposals

- Continue to help friendly nations assume more of their own defense burden.
- Sharpen the focus of our bilateral economic assistance programs through reductions of low priority activities and concentration on critical development problems.
- Meet our commitments to share in contributions to international development institutions.
- Contribute to a new United Nations Environment Fund created at United States initiative.
- Expand contacts between American and foreign individuals and institutions.

International security assistance.—By providing aid to countries whose economies cannot yet adequately support their security needs, these programs help friendly nations develop and maintain the capability to defend themselves. Total Federal fund outlays for 1974 are estimated at \$1.5 billion.

INTERNATIONAL SECURITY ASSISTANCE

[In millions of dollars]

Assistance program	Budget authority			Outlays		
	1972 actual	1973 esti- mate	1974 esti- mate	1972 actual	1973 esti- mate	1974 esti- mate
Military assistance:¹						
Grant military assistance -----	501	553	685	563	550	678
Foreign military credit sales -----	400	400	525	147	230	313
Credit sales to Israel -----	----	----	----	69	90	38
Offsetting receipts, and other accounts -----	-70	-101	-125	-60	-111	-138
Security supporting assistance -----	548	597	729	717	563	708
Total -----	1,379	1,449	1,814	1,436	1,321	1,499

¹ Military assistance is classified in the national defense function.

² Excludes trust funds.

Military assistance, administered by the Department of Defense and classified in the national defense function, includes grants of equipment and training as well as credit sales of military equipment. (Military aid to Laos and South Vietnam is included in Department of Defense appropriations and not shown in the table above.) As the economies of recipient nations and the world political situation improve, military assistance can gradually be shifted from grants to credit and cash sales. Consequently, increased reliance on credit sales is projected for 1974. Total Federal fund outlays for military assistance, including credit sales to Israel, will be \$791 million in 1974.

Security supporting assistance, administered by the Agency for International Development, promotes political and economic stability in countries of foreign policy importance to the United States. Outlays are estimated to be \$708 million for 1974.

International development assistance.—These programs promote the long-term economic growth of developing countries through both multilateral and bilateral channels. Outlays are estimated at \$1.5 billion in 1974.

By providing financial support through *multilateral assistance* channels, the United States joins with other industrialized countries in sharing equitably the responsibility for assisting developing nations. American contributions to *international financial institutions*—the World Bank Group and the Inter-American and Asian Development

Banks—are administered by the Treasury Department. To provide the U.S. share of internationally agreed upon capital replenishments in 1974, budget authority is requested as follows:

- \$320 million for the International Development Association;

- \$193 million for the ordinary capital of the Inter-American Development Bank, plus a \$500 million payment to its fund for special operations; and

- \$100 million for the special fund of the Asian Development Bank, with an additional \$109 million to be provided for the Bank's ordinary capital upon the enactment of authorizing legislation.

The largest voluntary contribution to *international organizations* will be to the United Nations Development Program, which finances programs of technical assistance and pre-investment surveys. A contribution of \$90 million is proposed for 1974. A contribution of \$10 million to the new United Nations Environment Fund is also proposed.

Bilateral assistance is administered principally by the Agency for International Development. Out-

INTERNATIONAL DEVELOPMENT ASSISTANCE

[In millions of dollars]

Assistance program	Budget authority			Outlays		
	1972 actual	1973 esti- mate	1974 esti- mate	1972 actual	1973 esti- mate	1974 esti- mate
Multilateral:						
International financial institutions:						
Special payment ¹ -----	1,059	----	----	----	----	----
International Bank for Reconstruction and Development -----	123	----	----	----	1	12
International Development Association --	----	320	320	78	160	220
Inter-American Development Bank -----	212	418	693	181	238	285
Asian Development Bank --	----	----	209	17	21	31
International Organizations -	<u>149</u>	<u>133</u>	<u>152</u>	<u>196</u>	<u>147</u>	<u>134</u>
Subtotal, multilateral	1,543	871	1,374	472	567	682
Bilateral:						
Development						
loans -----	340	328	351	520	467	338
Grants and other programs -----	646	576	481	406	495	532
Overseas Private Investment Corporation ---	12	12	72	-21	7	-10
Inter-American Foundation -----	----	----	----	2	5	8
Other -----	<u>4</u>	<u>4</u>	<u>4</u>	<u>5</u>	<u>3</u>	<u>4</u>
Subtotal, bilateral ..	1,003	921	909	911	976	871
Proprietary receipts from the public -----	-64	-313	-71	-64	-313	-71
Total -----	2,482	1,479	2,212	1,319	1,230	1,482

¹ For transfer to international financial institutions as required to maintain the gold value of U.S. dollar contributions.

lays are estimated at \$871 million in 1974. AID's employment will be further decreased in 1974, making a total reduction of 44% since 1968.

Development loans finance essential imports to developing countries of special interest to the United States. These loans assist both general development programs and specific projects in such fields as agriculture and industry. Bilateral assistance also includes technical assistance activities, designed to transfer technology and expertise in key areas such as education and agriculture. These activities, plus programs to assist developing countries in population planning and to control the international production and traffic in narcotic and dangerous drugs, are funded under *grants and other programs*.

The principal function of the *Overseas Private Investment Corporation* is to guarantee and insure U.S. private investments in developing countries against losses incurred through inconvertibility, war, or expropriation. Budget authority of \$72 million is requested in 1974 to increase insurance reserves to adequate levels.

The Inter-American Foundation, with estimated outlays of \$8 million in 1974, provides grants primarily to private nonprofit organizations for innovative developmental activities in Latin America.

International humanitarian assistance, administered by the Department of State and AID, provides help for refugees and victims of natural disasters. It is financed largely from the Food for Peace program, the President's foreign assistance contingency fund, and special relief appropriations. The United States has recently contributed to critical relief needs in South Asia, the Philippines, Central Africa, and Nicaragua.

The President's foreign assistance contingency fund.—This fund permits the United States to respond to unforeseen circumstances requiring security, development, or humanitarian assistance. Budget authority of \$30 million is recommended for 1974.

Peace Corps (Action).—The \$78 million budget authority estimate for Peace Corps activities in 1974, supplemented by increased host country contributions, will maintain current volunteer levels.

Food for Peace.—Through the sale and donation of agricultural commodities to foreign countries, Food for Peace combats hunger and malnutrition, promotes economic growth in developing nations, and expands export markets for American agricultural products. Outlays will be \$766 million in 1974, of which net sales will be \$500 million and donations \$266 million.

Foreign information and exchange activities.—The educational and cultural exchange programs of the Department of State are being expanded

in recognition of their importance in improving communication between key elements of American and other societies. Programs of the United States Information Agency, designed to interpret the United States and its policies to foreign audiences, will continue at about current levels. However, employment will decrease in 1974, making a total reduction of 22% since 1967. An appropriation of \$16 million is requested for the relocation of the Voice of America's Okinawa radio relay station.

Conduct of foreign affairs.—Increased operating costs abroad and assessments by international organizations require additional outlays for the Department of State in 1974. Although small employment increases in 1973 and 1974 will be necessary to meet the increasing workload, overall personnel will have been reduced by 13% since 1967.

Congressional Documents Relating to Foreign Policy

92d Congress, 2d Session

Fishermen's Protective Act. Report to accompany H.R. 14385. H. Rept. 92-1487. October 2, 1972. 7 pp.

Preservation and Protection of Polar Bears. Report to accompany H.J. Res. 1268. S. Rept. 92-1259. October 3, 1972. 7 pp.

Canadian Fishing Vessels. Report to accompany H.R. 16793. H. Rept. 92-1506. October 3, 1972. 10 pp.

Convention on International Liability for Damage Caused by Space Objects. Report to accompany Ex. M, 92d Cong., second sess. S. Ex. Rept. 92-38. October 4, 1972. 14 pp.

Diplomatic Privileges and Immunities to the Mission of the European Communities. Report to accompany S. 2700. H. Rept. 92-1521. October 4, 1972. 4 pp.

Fishermen's Protective Act Amendments. Conference report to accompany H.R. 7117. H. Rept. 92-1523. October 4, 1972. 3 pp.

American-Mexican Boundary Treaty Act of 1972. Report to accompany H.R. 15461. S. Rept. 92-1285. October 10, 1972. 5 pp.

Inter-American Relations. A collection of documents, legislation, descriptions of inter-American organizations, and other material pertaining to inter-American affairs. Printed for the use of the House Committee on Foreign Affairs. October 10, 1972. 656 pp.

Bombing as a Policy Tool in Vietnam: Effectiveness. A staff study based on the Pentagon Papers. Prepared for the use of the Senate Committee on Foreign Relations. October 12, 1972. 35 pp.

International Center Complex. Report to accompany S. 4039. S. Rept. 92-1293. October 12, 1972. 8 pp.

Importation of Pre-Columbian Sculpture and Murals. Conference report to accompany H.R. 9436. S. Rept. 92-1298. October 13, 1972. 4 pp.

TREATY INFORMATION

Convention on Aviation Sabotage Enters Into Force

Press release 16 dated January 26

Today [January 26], 30 days after the deposit by Hungary of the 10th instrument of ratification, the Convention for the Suppression of Unlawful Acts Against the Safety of Civil Aviation came into force.¹ The other governments whose ratifications brought the convention into force are Brazil, Canada, Chad, Israel, South Africa, Spain, Trinidad and Tobago, the United States, and Yugoslavia. A total of 63 nations have signed the Montreal Convention, and 20 nations have now ratified or acceded to it.

This convention was opened for signature at Montreal on September 23, 1971, at the headquarters of the International Civil Aviation Organization. It requires contracting governments to prosecute or extradite offenders—those involved in the destruction of aircraft or navigational facilities. The Montreal Convention, which covers acts against aircraft in domestic as well as international service, is the third in a series of conventions dealing with unlawful interference with civil aviation. The other two conventions are the Tokyo Convention of 1963 and the Hague Convention of 1970.

The Tokyo Convention obligates contracting governments to restore control of a hijacked aircraft to its commander. This convention also requires a state in which a hijacked aircraft lands to permit its passengers and crew to continue their journey as soon as practicable. Sixty-two governments are now parties to the Tokyo Convention, and eight others have signed it.

The Hague Convention requires that a state either extradite a hijacker or submit

the case, without exception whatsoever, to its competent authorities for the purpose of prosecution. The convention provides that hijackers shall be subject to severe penalties in all contracting states and calls for universal jurisdiction over hijackers, wherever found. Eighty-one states have signed and 51 states have become parties to the Hague Convention.

Current Actions

MULTILATERAL

Aviation

International air services transit agreement. Done at Chicago December 7, 1944. Entered into force February 8, 1945. 59 Stat. 1693.

Acceptance deposited: Oman, January 24, 1973; effective February 23, 1973.

Convention on international civil aviation. Done at Chicago December 7, 1944. Entered into force April 4, 1947. TIAS 1591.

Adherence deposited: Oman, January 24, 1973.

Protocol relating to an amendment to the convention on international civil aviation, as amended (TIAS 1591, 3756, 5170), with annex. Done at New York March 12, 1971.

Ratifications deposited: Guyana, December 20, 1972; Malagasy Republic, January 16, 1973; Togo, January 12, 1973.

Entered into force: January 16, 1973.

Privileges and Immunities

Convention on the privileges and immunities of the United Nations. Done at New York February 13, 1946. Entered into force September 17, 1946; for the United States April 29, 1970. TIAS 6900.

Accession deposited: Guyana, December 28, 1972.

Satellite Communications System

Agreement relating to the International Telecommunications Satellite Organization (Intelsat), with annexes. Signed at Washington August 20, 1971. Entered into force February 12, 1973. TIAS 7532.

Ratification deposited: Tunisia, January 30, 1973.

Notification of provisional application: Colombia, January 30, 1973.

Seals—Antarctic

Convention for the conservation of Antarctic seals, with annex and final act. Done at London June 1, 1972.¹

Signatures: France, December 19, 1972; Chile,² Japan, December 28, 1972.

¹ For text of the convention, see BULLETIN of Oct. 25, 1971, p. 465.

¹ Not in force.

² With a statement.

Treaties

Vienna convention on the law of treaties, with annex. Done at Vienna May 23, 1969.¹

Ratification deposited: Argentina (with reservations and declaration), December 5, 1972.

BILATERAL

Bahamas

Agreement relating to the establishment of an agricultural research development and training center primarily devoted to livestock production. Signed at Nassau January 18, 1973. Entered into force January 18, 1973.

Ecuador

Agreement amending the agreement for sales of agricultural commodities of July 31, 1972 (TIAS 7436). Effected by exchange of notes at Quito January 19, 1973. Entered into force January 19, 1973.

Iran

Air transport agreement, with exchange of notes. Signed at Tehran February 1, 1973. Enters into force on the date of an exchange of diplomatic notes indicating approval of each contracting party, in accordance with its constitutional requirements.

Italy

Treaty on extradition. Signed at Rome January 18, 1973. Enters into force upon the exchange of instruments of ratification.

Viet-Nam

Agreement amending the agreement for sales of agricultural commodities of October 2, 1972

¹ Not in force.

(TIAS 7464). Effected by exchange of notes at Saigon January 17, 1973. Entered into force January 17, 1973.

Yemen Arab Republic

Agreement relating to investment guaranties. Effected by exchange of notes at San'a October 22 and December 4, 1972. Entered into force December 4, 1972.

DEPARTMENT AND FOREIGN SERVICE

Confirmations

The Senate on February 1 confirmed the following nominations:

William J. Casey to be Under Secretary of State for Economic Affairs.

John N. Irwin II to be Ambassador to France.

U. Alexis Johnson to be Ambassador at Large [to serve as chief of the U.S. delegation to the United States-Soviet negotiations on the Limitation of Strategic Arms].

William J. Porter to be Under Secretary of State for Political Affairs.

Donald Rumsfeld to be the U.S. Permanent Representative on the Council of the North Atlantic Treaty Organization.

Kenneth Rush to be Deputy Secretary of State.

John A. Scali to be U.S. Representative to the United Nations and U.S. Representative in the Security Council of the United Nations.

John A. Volpe to be Ambassador to Italy.

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Check List of Department of State Press Releases: Jan. 29–Feb. 4

Press releases may be obtained from the Office of Press Relations, Department of State, Washington, D.C. 20520.

Releases issued prior to January 29 which appear in this issue of the BULLETIN are Nos. 10 of January 17 and 16 of January 26.

No.	Date	Subject
18	1/30	Rogers: arrival and departure statements at Paris, Jan. 26 and 27 (printed in BULLETIN of Feb. 12).
*19	1/30	Program for official visit of Prime Minister Edward Heath of the United Kingdom.
†20	2/1	U.S. and Iran sign Air Transport Agreement (rewrite).
*21	2/1	Information on U.S. and foreign civilians captured in Laos on lists presented to U.S. representatives at Paris Feb. 1.
*22	2/2	Meeting of the Advisory Committee of the Foreign Service Institute, Feb. 26–27.
*23	2/1	San Francisco Symphony to tour U.S.S.R. in June under Department auspices.
*24	2/2	"Fifth Dimension" to tour Turkey and eastern Europe in April under Department auspices.

*Not printed.

†Held for a later issue of the BULLETIN.

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THE DEPARTMENT OF STATE BULLETIN

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THE DEPARTMENT OF STATE BULLETIN

Vol. LXVIII, No. 1757

February 26, 1973

The Department of State BULLETIN, a weekly publication issued by the Office of Media Services, Bureau of Public Affairs, provides the public and interested agencies of the government with information on developments in the field of U.S. foreign relations and on the work of the Department and the Foreign Service.

The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements, addresses, and news conferences of the President and the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and on treaties of general international interest.

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The State of the Union

Following is the text of the first of a series of messages from President Nixon to the Congress on the state of the Union, transmitted on February 2.

White House press release dated February 2

To the Congress of the United States:

The traditional form of the President's annual report giving "to the Congress Information of the State of the Union" is a single message or address. As the affairs and concerns of our Union have multiplied over the years, however, so too have the subjects that require discussion in State of the Union Messages.

This year in particular, with so many changes in Government programs under consideration—and with our very philosophy about the relationship between the individual and the State at an historic crossroads—a single, all-embracing State of the Union Message would not appear to be adequate.

I have therefore decided to present my 1973 State of the Union report in the form of a series of messages during these early weeks of the 93rd Congress. The purpose of this first message in the series is to give a concise overview of where we stand as a people today, and to outline some of the general goals that I believe we should pursue over the next year and beyond. In coming weeks, I will send to the Congress further State of the Union reports on specific areas of policy including economic affairs, natural resources, human resources, community development and foreign and defense policy.

The new course these messages will outline represents a fresh approach to Government: an approach that addresses the realities of the 1970s, not those of the 1930s or of the 1960s. The role of the Federal Government as we

approach our third century of independence should not be to dominate any facet of American life, but rather to aid and encourage people, communities and institutions to deal with as many of the difficulties and challenges facing them as possible, and to help see to it that every American has a full and equal opportunity to realize his or her potential.

If we were to continue to expand the Federal Government at the rate of the past several decades, it soon would consume us entirely. The time has come when we must make clear choices—choices between old programs that set worthy goals but failed to reach them and new programs that provide a better way to realize those goals; and choices, too, between competing programs—all of which may be desirable in themselves but only *some* of which we can afford with the finite resources at our command.

Because our resources are not infinite, we also face a critical choice in 1973 between holding the line in Government spending and adopting expensive programs which will surely force up taxes and refuel inflation.

Finally, it is vital at this time that we restore a greater sense of responsibility at the State and local level, and among individual Americans.

Where We Stand

The basic state of our Union today is sound, and full of promise.

We enter 1973 economically strong, militarily secure and, most important of all, at peace after a long and trying war.

America continues to provide a better and more abundant life for more of its people

than any other nation in the world.

We have passed through one of the most difficult periods in our history without surrendering to despair and without dishonoring our ideals as a people.

Looking back, there is a lesson in all this for all of us. The lesson is one that we sometimes had to learn the hard way over the past few years. But we did learn it. That lesson is that even potentially destructive forces can be converted into positive forces when we know how to channel them, and when we use common sense and common decency to create a climate of mutual respect and goodwill.

By working together and harnessing the forces of nature, Americans have unlocked some of the great mysteries of the universe.

Men have walked the surface of the moon and soared to new heights of discovery.

This same spirit of discovery is helping us to conquer disease and suffering that have plagued our own planet since the dawn of time.

By working together with the leaders of other nations, we have been able to build a new hope for lasting peace—for a structure of world order in which common interest outweighs old animosities, and in which a new generation of the human family can grow up at peace in a changing world.

At home, we have learned that by working together we can create prosperity without fanning inflation; we can restore order without weakening freedom.

The Challenges We Face

These first years of the 1970s have been good years for America.

Our job—all of us together—is to make 1973 and the years to come even better ones. I believe that we can. I believe that we can make the years leading to our Bicentennial the best four years in American history.

But we must never forget that nothing worthwhile can be achieved without the will to succeed and the strength to sacrifice.

Hard decisions must be made, and we must stick by them.

In the field of foreign policy, we must

remember that a strong America—an America whose word is believed and whose strength is respected—is essential to continued peace and understanding in the world. The peace with honor we have achieved in Vietnam has strengthened this basic American credibility. We must act in such a way in coming years that this credibility will remain intact, and with it, the world stability of which it is so indispensable a part.

At home, we must reject the mistaken notion—a notion that has dominated too much of the public dialogue for too long—that ever bigger Government is the answer to every problem.

We have learned only too well that heavy taxation and excessive Government spending are not a cure-all. In too many cases, instead of solving the problems they were aimed at, they have merely placed an ever heavier burden on the shoulders of the American taxpayer, in the form of higher taxes and a higher cost of living. At the same time they have deceived our people because many of the intended beneficiaries received far less than was promised, thus undermining public faith in the effectiveness of Government as a whole.

The time has come for us to draw the line. The time has come for the responsible leaders of both political parties to take a stand *against* overgrown Government and *for* the American taxpayer. We are not spending the Federal Government's money, we are spending the taxpayer's money, and it must be spent in a way which guarantees his money's worth and yields the fullest possible benefit to the people being helped.

The answer to many of the domestic problems we face is not higher taxes and more spending. It is less waste, more results and greater freedom for the individual American to earn a rightful place in his own community—and for States and localities to address their own needs in their own ways, in the light of their own priorities.

By giving the people and their locally elected leaders a greater voice through changes such as revenue sharing, and by saying "no" to excessive Federal spending and higher taxes, we can help achieve this goal.

Coming Messages

The policies which I will outline to the Congress in the weeks ahead represent a reaffirmation, not an abdication, of Federal responsibility. They represent a pragmatic rededication to social compassion and national excellence, in place of the combination of good intentions and fuzzy follow-through which too often in the past was thought sufficient.

In the field of economic affairs, our objectives will be to hold down taxes, to continue controlling inflation, to promote economic growth, to increase productivity, to encourage foreign trade, to keep farm income high, to bolster small business, and to promote better labor-management relations.

In the area of natural resources, my recommendations will include programs to preserve and enhance the environment, to advance science and technology, and to assure balanced use of our irreplaceable natural resources.

In developing human resources, I will have recommendations to advance the Nation's health and education, to improve conditions of people in need, to carry forward our increasingly successful attacks on crime, drug abuse and injustice, and to deal with such important areas of special concern as consumer affairs. We will continue and improve our Nation's efforts to assist those who have served in the Armed Services in Viet-Nam through better job and training opportunities.

We must do a better job in community development—in creating more livable com-

munities, in which all of our children can grow up with fuller access to opportunity and greater immunity to the social evils and blights which now plague so many of our towns and cities. I shall have proposals to help us achieve this.

I shall also deal with our defense and foreign policies, and with our new approaches to the role and structure of Government itself.

Considered as a whole, this series of messages will be a blueprint for modernizing the concept and the functions of American Government to meet the needs of our people.

Converting it into reality will require a spirit of cooperation and shared commitment on the part of all branches of the Government, for the goals we seek are not those of any single party or faction, they are goals for the betterment of all Americans. As President, I recognize that I cannot do this job alone. The Congress must help, and I pledge to do my part to achieve a constructive working relationship with the Congress. My sincere hope is that the executive and legislative branches can work together in this great undertaking in a positive spirit of mutual respect and cooperation.

Working together—the Congress, the President and the people—I am confident that we can translate these proposals into an action program that can reform and revitalize American Government and, even more important, build a better life for all Americans.

RICHARD NIXON.

THE WHITE HOUSE, *February 2, 1973.*

Secretary Rogers Reports to Congress on Progress Under Viet-Nam Peace Agreement

Statement by Secretary Rogers¹

I appreciate the opportunity to appear before your committee today to discuss the situation in Indochina and the implementation of the Agreement on Ending the War and Restoring the Peace in Viet-Nam signed in Paris on January 27.² This agreement and its protocols, as you know, contain provisions regarding cease-fire, the withdrawal of troops, the return of prisoners, and the security of South Viet-Nam. It also establishes machinery to insure implementation of the agreement. My specific purpose in coming before you is to report on the progress that is being made in carrying out the agreement. In the course of my statement, I should also like to address some of the questions that I know are on your minds about the road still to be traveled to insure a durable peace in Indochina.

The Viet-Nam cease-fire formally went into effect at midnight, Greenwich time, on Saturday, January 27. The fighting did not immediately stop all over South Viet-Nam, but the expected surge of military activity just before the cease-fire and the reactions it provoked gradually subsided as the traditional Tet holiday approached on February 3 and has been at a low level since then. We anticipate that movement of the Four-Party Joint Military Commission and Inter-

national Commission of Control and Supervision (referred to as the ICCS) teams into place should have a further dampening effect on the level of military activity. Of course, all U.S. military operations in Viet-Nam, North and South, were halted on schedule.

The South Vietnamese people have welcomed the January 27 agreement with sober and cautious relief. Although the agreement is viewed with reservations and some apprehension, there is growing realization that, with continued American support as permitted in the agreement, the South Vietnamese people can face the future with confidence.

A number of organizations and mechanisms are provided for in the Paris agreements. I would like to give a brief report on the progress that is being made in each one. Overall, in these various activities, one conspicuous theme stands out: that previously irreconcilable parties are in fact meeting, are holding useful and productive discussions, and are learning how to make their new relationships work.

The Joint Military Commissions

The Four-Party Joint Military Commission consists of the United States, South Viet-Nam, North Viet-Nam, and the Viet Cong, or PRG [Provisional Revolutionary Government]. It is the only supervisory mechanism on which the United States is represented. The Commission is charged with coordinating and inspecting the various phases of implementation of the agreement and also serving as a channel of communica-

¹ Made before the House Committee on Foreign Affairs on Feb. 8 (press release 27). The complete transcript of the hearings will be published by the committee and will be available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

² For text of the agreement and protocols, see BULLETIN of Feb. 12, 1973, p. 169.

tion among the parties. It will deter and detect violations and help to settle matters of contention that may arise. The overall ceiling for the Commission is 3,300 men, with each of the four parties contributing one-fourth of the total. Four-Party teams will be dispersed widely around the country, many of them in juxtaposition with ICCS groups. The Four-Party Commission also has begun to function effectively in resolving many of its initial organizational and logistic problems and is now sending personnel to various prescribed localities around the country.

One bilateral issue between the United States and North Viet-Nam in which the Four-Party Commission has been helpful concerns the sweeping of the mines from North Vietnamese harbors and inland waterways. A U.S. military team is now in North Viet-Nam discussing practical arrangements for beginning that work. U.S. naval units are standing by, ready to begin operations as soon as arrangements are agreed upon.

A Two-Party Joint Military Commission with specific functions set forth in the agreement is also required, and it will replace the Four-Party Commission after 60 days from the signing of the basic agreement. Although the Two-Party Commission has not yet begun to function formally, the GVN [Government of the Republic of Viet-Nam] and PRG delegations on the Four-Party Commission are in fact conferring in a two-party context.

The ICCS

The International Commission consists of representatives of Canada, Hungary, Indonesia, and Poland. It is responsible for controlling and supervising the implementation of the agreement, notably those provisions relating to maintenance of the cease-fire, the release of prisoners, and prohibition of illegal entry into South Viet-Nam of troops and armaments.

The Commission is considerably larger than any of its predecessors in Southeast Asia. It has a ceiling of 1,160 personnel from the four member countries, with the excep-

tion that this ceiling may be exceeded for supervision of the general elections in Viet-Nam. In addition to the headquarters in Saigon and seven regional teams, there are 41 teams to be based at localities throughout South Viet-Nam where violations of the cease-fire were considered most likely to occur. This dispersion is also important in that the mere presence of a Commission team in a locality should tend to discourage violations of the agreement in the vicinity of that team. There are also additional teams provided for supervision and control of the return of prisoners, for the legitimate resupply of military equipment, and for such other purposes as the Commission may determine.

It is inescapable that no matter how adequate the equipment or terms of reference, the effectiveness of the International Commission in Viet-Nam will depend ultimately upon the willingness of the four member countries to cooperate among themselves and with the parties to the agreement to help insure that violations of the agreement are reduced to a minimum. To date we understand that questions which have arisen within the Commission have been dealt with in a businesslike and objective manner.

Given the complexities of the situation in Viet-Nam, no one would expect that the agreement could be implemented instantly, without any violations occurring. However, the International Commission constitutes an important assurance that violations that occur do not, through tolerance, become larger violations and that the fabric of the agreement will prove a resilient framework within which the processes of disengagement, withdrawal, and national reconciliation can occur.

National Council of Reconciliation

The agreement also calls for the formation of a National Council of National Reconciliation and Concord, about which there has been so much speculation. Let me assure you this is not a coalition government in disguise, nor do we think it will be a fruitless or futile exercise. It will be what the parties mainly concerned—the GVN and the

PRG—jointly want it to be, and it could become an important forum of communication and consultation and an instrumentality to implement the principles set forth in the agreement. President Thieu had his representative in Paris initiate bilateral contact with the PRG, and the two parties have now held two sessions at the Majestic Hotel.

The International Conference

No amount of supervision can assure peace unless the Vietnamese adversaries are themselves determined to make it work. However, other nations, and particularly the major powers, have a responsibility to do their part, too.

That is why we have made provision in the basic peace agreement for the holding of an international conference later this month at the foreign ministers level. It is scheduled to open on February 26. We and the North Vietnamese have proposed Paris as the site of the conference. In addition to the United States, the conference will include the other Vietnamese parties to the agreement, the four nations in the international supervisory commission, the other permanent members of the United Nations Security Council, and the Secretary General of the United Nations. This broad composition is significant, for it brings together the belligerents with other nations and parties—including those who have been Hanoi's principal allies and suppliers—who have been less directly involved in the conflict but who have the capability of making meaningful contributions to assuring future peace and stability in Southeast Asia. Their agreement to participate in the conference will constitute a significant first step toward a collective international underwriting of the cease-fire to help make it endure and to promote the transition to lasting peace.

Article 19 of the agreement stipulates an international conference will be convened "to acknowledge the signed agreements; to guarantee the ending of the war, the maintenance of peace in Viet-Nam, the respect of the Vietnamese people's fundamental national rights, and the South Vietnamese peo-

ple's right to self-determination; and to contribute to and guarantee peace in Indochina."

It is our intention to utilize the conference to give concrete meaning to these objectives. We believe other nations should pledge to observe and give their support to the provisions of the peace agreement, not only in Viet-Nam, but as it relates to Laos and Cambodia as well. We would also hope that specific steps can be taken by the conference to create some form of continuing relationship between the conference members and the international supervisory organization in Viet-Nam, thereby lending in a concrete way the collective international weight of the conference members to the peacekeeping process. And we would hope that the conference will be able to contribute, at least in an initial way, to the development of momentum toward an international cooperative effort in postwar rehabilitation and reconstruction in that part of the world.

That, then, is the array of peacekeeping and consultative mechanisms concerning Viet-Nam called for in the agreement and where they stand at the moment. From this brief description of developments over the past two weeks we can already see that the Vietnamese parties as well as others involved are working together to carry out the agreement. To summarize: The widespread killing has been stopped; the level of military activity has declined substantially from the first days of the cease-fire; the ICCS has placed teams at seven key locations; after understandable initial difficulties, the Four-Party Joint Military Commission is now functioning and is meeting with the ICCS; and direct talks between the South Vietnamese parties are now underway in Paris. Of course there are many remaining problems to be worked out, but so far developments certainly support our expectations that the agreement will work, that the South Vietnamese people have a reasonable chance to sort out their own political destiny, and that peace with honor is being achieved. The United States, for its part, will do all it can to insure that this process will continue to build momentum.

Laos and Cambodia

Let me shift now to the other two countries of Indochina.

In article 20 of the agreement, regarding Laos and Cambodia, the signatories agree to respect the 1954 and 1962 Geneva agreements, which recognized the fundamental national rights of the Lao and Cambodians and to refrain from using Laos and Cambodia as a base of operations against each other or against other countries. Provisions of this article also call on foreign countries to stop military activity in and withdraw troops from Laos and Cambodia, stipulate that the two countries should be left to resolve their own internal problems, and call for settlement of problems among the Indochinese countries on the basis of mutual respect and noninterference.

With regard to Laos, it is our firm expectation that within a short period of time there will be a formal cease-fire in Laos and withdrawal of all foreign forces. At the moment the two Laotian sides are negotiating in Vientiane in an effort to work out the terms of the cease-fire. Meanwhile the fighting goes on as a result of major Communist attempts to gain control over as much territory as possible. Until a cease-fire is reached we for our part will continue to give support to the Royal Lao Government in response to its requests. We believe that failure to do so would compromise the efforts to reach a cease-fire agreement.

In Cambodia, President Lon Nol declared a unilateral cessation of hostilities on January 28, reserving only the right of self-defense, and there has been a considerable lessening of military activity. Also there are signs that certain elements of the Khmer insurgents are reconsidering their heretofore intransigent attitude toward the Cambodian Government, as well as signs that the North Vietnamese are less involved in combat operations. In response to its requests we continue to support the Cambodian Government with both military and economic assistance. The supply of military equipment remains at a modest scale. U.S. air support is in line with President Lon Nol's declared policy to

cease offensive operations while reserving the right of self-defense.

Prisoners of War

One of the major goals of our Viet-Nam policy has been the return of our prisoners of war and the fullest possible accounting for those who are missing. I am profoundly relieved, as all America must be, that the way to achieve these goals has been set forth in the January 27 agreement and that within the next few days the first of our prisoners will be coming home.

In Paris, the other side has turned over to us lists of 562 U.S. military and 24 U.S. civilian personnel who are currently being held captive and who will be released within the 60-day period following the signing of the Paris agreement. The specific details of how and when these prisoners will be released are currently being worked out by the Joint Military Commission of the four parties in Saigon. These arrangements will include the visit of prisoner of war camps by designated national Red Cross societies. For our part, we have prepared a carefully detailed program—this is called Operation Homecoming—to receive our prisoners initially at Clark Air Force Base in the Philippines and help them prepare to return to their families. These men will be given every conceivable assistance that we can offer to ease their readjustment after their long absence from home.

Our happiness over the prospective return of almost 600 of our prisoners, however, is tempered by our sad realization that many will not come back. The lists received in Paris record 76 American soldiers and civilians as having died in captivity. As you know, we do not regard the Lao list as complete. There are also some questions requiring clarification on the other lists. In addition, some 1,300 names of missing Americans do not appear on these lists, and we share the sorrow of those families of missing men of whom no news has been received. We will continue to press ahead with all efforts to obtain the fullest possible information on these cases.

Progress has been the keynote of my remarks to you today. While noting this progress, however, we would be remiss not to keep in mind that the agreement of January 27 and the two weeks of development since then constitute only the first steps toward building peace in Indochina. Leaving as it did basic political questions in Viet-Nam still to be resolved, the agreement provides the Vietnamese with viable prospects for peace and guarantees their right freely to determine their own future. But the challenge of finding lasting solutions to the problems of Viet-Nam still lies ahead. In addition to the massive and complex economic and political problems in Viet-Nam which must be resolved, we must also realize that the conflicts in Laos and Cambodia must be ended. We believe that this will be accomplished.

It is less than a year since President Nixon went to Peking and Moscow. Looking back, we can see how important those initiatives were in giving substance to the concept of dialogue in international affairs. It serves no purpose to attempt to define just what bearing the President's initiatives had on the process which culminated in the Viet-Nam agreement. There is little doubt, however, that they did have a bearing. It is our hope that the cooperative efforts of world powers, especially those countries which have been Hanoi's principal allies and suppliers, will provide the supplementary inducements necessary for lasting peace in Indochina. This agreement has received worldwide approval, and we hope this will be translated into cooperative international action to further con-

ditions of peace and progress in Southeast Asia.

We believe we are on the road to a lasting settlement in Indochina. Peace there can provide a steppingstone to security and stability in Southeast Asia and throughout the world. But we must see the job through. I therefore urge this Congress to give the President the support he will need in the months ahead in building the structure for peace which he has pursued with such dedication and success.

Visit to People's Republic of China by Dr. Kissinger

*Joint Announcement*¹

Weekly Compilation of Presidential Documents dated February 5

In accordance with the United States and People's Republic of China Joint Communiqué of February 1972, Dr. Henry A. Kissinger, Assistant to the United States President for National Security Affairs, will visit the People's Republic of China from February 15 to 19, 1973, for concrete consultations with Chinese leaders to further the normalization of relations between the People's Republic of China and the United States and continue to exchange views on issues of common interest.

¹ Issued simultaneously at Washington and Peking on Feb. 3; read to news correspondents that day by Ronald L. Ziegler, Press Secretary to President Nixon.

The International Economic System in Transition

ECONOMIC REPORT OF THE PRESIDENT AND THE ANNUAL REPORT OF THE COUNCIL OF ECONOMIC ADVISERS (EXCERPTS)

Following is an excerpt from the Economic Report of the President, together with the full text of chapter 5, "The International Economic System in Transition," of the Annual Report of the Council of Economic Advisers.¹

ECONOMIC REPORT OF THE PRESIDENT

To the Congress of the United States:

Nowhere is the need to make 1973 a year of economic reform more apparent than in our international relations. Our actions of August 15, 1971, put the world on the path of negotiation for improvement of the international economy.² Last year we made proposals for the reform of the international financial system, and these proposals are now the subject of discussion by high-level officials of the member countries of the International Monetary Fund. This year we expect to enter negotiations on the subject of trade.

We want the American people to be able to buy those foreign goods and services that are better, cheaper, or more interesting than our own. That raises the American standard of living. We want our people to be able to

invest abroad when that is the most profitable thing to do. But we also want the American people to be able to pay for these purchases and investments in the way that is best for us. That means, first, that we must be able to pay by selling abroad the things that we produce best, and selling them on the best terms that we can freely obtain. Second, it means that we must be able to pay in a way that is sustainable so that we are not confronted with the need for sudden and possibly painful adjustments.

Existing arrangements are not favorable to us in either respect. We have been buying from abroad in rapidly increasing amounts, and that has helped the American people. But our exports, with which we seek to pay for these imports, have been subject to high barriers, particularly in the case of our agricultural products. We have not been able to sell enough to pay for our overseas expenditures, and so we have had to pay by incurring more and more short-term debts abroad. This is not a situation that can go on indefinitely; its sudden ending could be disruptive. Therefore we want to bring about those reforms that will permit us to earn our way.

Our proposals have been, and will be, put forth in the U.S. national interest. But this is not contrary to the interest of other countries. International competition is shifting from the military and political arenas to the economic. This is a great advantage, because in economic competition every participant can win—there need be no losers.

¹ *Economic Report of the President, Transmitted to the Congress January 1973, Together With the Annual Report of the Council of Economic Advisers* (H. Doc. 93-28, 93d Cong., 2d sess., transmitted on Jan. 31); for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402 (301 pp.; \$2.35).

² For background, see BULLETIN of Sept. 6, 1971, p. 253.

The effort of each nation to produce and sell what it can do most efficiently will benefit others. This is the fundamental belief underlying our proposals for reform and the fundamental reason for thinking that a satisfactory agreement will be reached.

* * * * *

The general prediction is that 1973 will be another very good year for the American economy. I believe that it *can* be a great year. It can be a year in which we reduce unemployment and inflation further and enter into a sustained period of strong growth, full employment, and price stability. But 1973 will be a great year only if we manage our fiscal affairs prudently and do not exceed the increases in Federal expenditures that I have proposed. This is the practical lesson of the experience from 1965 to 1968, when loose fiscal policy turned a healthy expansion into a feverish boom followed by a recession. I am determined to live by this lesson. And I urgently appeal to the Congress to join me in doing so.

RICHARD NIXON.

January 31, 1973.

REPORT OF THE COUNCIL OF ECONOMIC ADVISERS

CHAPTER 5—THE INTERNATIONAL ECONOMIC SYSTEM IN TRANSITION

The international economic policy of the United States had two major objectives in 1972. One was to improve the U.S. balance of payments, which had reached a record deficit of nearly \$30 billion in 1971. The other was to make progress on reform of the international economic system, affecting monetary, trade, and investment relationships. The existing system has been unable to cope with shifting patterns of trade and imbalances in international payments which have resulted in repeated international economic and political tensions.

The groundwork for progress on both fronts had been laid in December of 1971 when the world's major industrialized countries met at the Smithsonian Institution.³ For the short term, the participants agreed on a realignment of exchange rates among

the major currencies to relieve the existing disequilibrium in international payments. For the long term, they agreed to enter into multilateral negotiations on reform of the international economic system.

The overall balance-of-payments position of the United States, while still far from equilibrium, began to improve in 1972. The improvement, which was all in the capital account, was largely the result of a sharp reduction over 1971 in speculative outflows of capital. Domestic economic policies which curtailed the rate of inflation, the realignment of exchange rates, and renewed confidence in international monetary relationships all contributed to this improvement. The trade and current account deficits of the United States, however, were considerably larger in 1972 than in 1971, although they levelled off during the year. The year-over-year deterioration in these accounts stemmed primarily from the rapid growth of the U.S. economy and a lag in the economic recovery of some of the other major countries.

Progress was also made during 1972 on the longer-term reform objective. Agreement was reached on a format for international monetary negotiations. Discussions on the characteristics of a revised international monetary system are now underway, and the United States has set forth a number of proposals. The major industrialized countries have also agreed to initiate multilateral trade negotiations in the fall of 1973. Finally, these same countries have agreed to explore new forms of co-operation on internal policies which affect trade and investment among nations.

The U.S. Balance of Payments in 1972

As this *Report* goes to press, official data for the U.S. balance of payments are available only for the first 3 quarters of 1972. These figures, shown in Table 29, indicate that, at annual rates, Americans imported \$76.2 billion in goods and services during the first 9 months of 1972, while foreigners purchased \$71.2 billion in U.S. goods and services. On balance, therefore, Americans obtained \$4.9 billion more goods and services abroad than they provided to the rest of the world. In addition, U.S. Government grants and other types of unilateral transfers to foreigners exceeded similar transfers to the United States by \$3.7 billion, and U.S. investments in long-term assets abroad exceeded foreign investments in U.S. long-term assets by \$1.6 billion. Moreover, recorded short-term capital movements, nonrecorded transactions, and allocations of Special Drawing Rights (SDR's) together resulted in a net outflow of \$1.4 billion. Overall, therefore, American balance-of-payments expenditures exceeded receipts by \$11.6 billion. Virtually the whole deficit in the U.S. balance of payments on the official reserve transactions basis was financed by increased dollar holdings of foreign central banks.

³ For background, see BULLETIN of Jan. 10, 1972, p. 32.

TABLE 29.—U.S. balance-of-payments transactions, 1971-72

[Billions of dollars]

Type of transaction	1971			1972 first 3 quarters ¹		
	Receipts	Payments	Balance	Receipts	Payments	Balance
Goods ² -----	42.8	45.5	-2.7	47.4	54.4	-7.0
Services -----	23.4	19.9	3.4	23.8	21.8	2.1
Military transactions ----	1.9	4.8	-2.9	1.2	4.7	-3.6
Investment income ³ ----	12.9	4.9	8.0	13.1	5.7	7.4
Other -----	8.5	10.2	-1.7	9.6	11.3	-1.8
GOODS AND SERVICES -----	66.1	65.4	.7	71.2	76.2	-4.9
Unilateral transfers, net ⁴ ----		3.6	-3.6		3.7	-3.7
CURRENT ACCOUNT -----	66.1	69.0	-2.8	71.2	79.9	-8.7
Long-term capital -----	1.8	8.2	-6.5	5.1	6.7	-1.6
U.S. Government ⁵ -----	- .5	1.9	-2.4	.3	1.3	-1.0
Direct investment -----	- .1	4.8	-4.8	.3	3.3	-3.0
Other private -----	2.3	1.6	.8	4.4	2.1	2.4
CURRENT ACCOUNT AND LONG-TERM CAPITAL -----	67.9	77.2	-9.3	76.3	86.6	-10.2
Short-term nonliquid capital - (°)		2.4	-2.4	.1	.7	-.6
Short-term liquid capital ---	-6.7	1.1	-7.8	2.9	1.4	1.5
Errors and unrecorded transactions, net -----		11.0	-11.0		3.0	-3.0
Allocations of SDR's -----	.7		.7	.7		.7
TOTAL -----	61.9	91.7	⁷ -29.8	80.0	91.7	⁷ -11.6

¹ Seasonally adjusted annual rates.² Excludes transfers under military grants.³ Includes direct investment fees and royalties.⁴ Excludes military grants of goods and services.⁵ Excludes official reserve transactions and includes transactions in some short-term U.S. Government assets.

° Less than \$0.05 billion.

⁷ Equals official reserve transactions balance.

Note.—Detail may not add to totals because of rounding.

Source: Department of Commerce.

THE GOODS-AND-SERVICES ACCOUNT IN 1972

For the goods-and-services account, preliminary estimates are available for the full year 1972. These figures differ slightly from those in Table 29, which are annual rates based on data for the first 3 quarters. These preliminary estimates indicate that the United States imported about \$4½ billion more goods and services than it exported. U.S. imports of goods exceeded exports by about \$7 billion in 1972, while exports of services exceeded imports by about \$2½ billion. These figures represent a substantial deterioration in the goods-and-services account from the full year 1971.

On a quarterly basis, net imports increased from \$1.2 billion in the first quarter of 1972 to \$1.6 billion in the second quarter and then declined to \$900 million in the third quarter and remained at about the same level in the fourth. When exports and imports are calculated in volume terms by adjusting

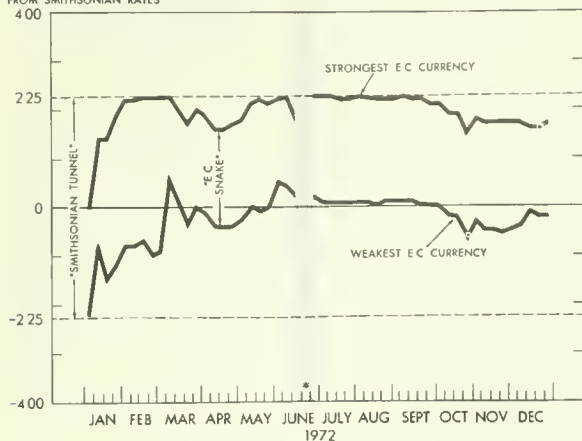
for price changes, the quarterly decline in net imports begins somewhat sooner (in the first quarter rather than the second) and is more marked over the course of the year.

The figures just cited give early indications that the dollar devaluation, reinforced by a lower rate of inflation in the United States than in other major industrialized countries in 1972, is beginning to affect U.S. exports and imports. The fact remains, however, that the U.S. trade deficit was much larger in 1972 than had been expected after the realignment of exchange rates. Cyclical developments in the United States and abroad were a major reason for this disappointment. Nominal gross national product (GNP) in the United States grew by nearly 10 percent in 1972, compared to 7½ percent in 1971 and 5 percent in 1970. Thus while changes in relative prices reduced the attractiveness of foreign goods compared to domestic goods, the level of imports continued to increase with the rapid rise in

Chart 11

Movement of European Community Exchange Rates

PERCENT DEVIATION
FROM SMITHSONIAN RATES



* Sterling crisis.

Note: Data relate to Friday rates in the exchange markets of countries belonging to the European Economic Community (EC).

Source: Treasury Department.

the overall demand for goods in the U.S. economy. At the same time, a number of major industrial countries experienced lower than normal rates of growth in 1972, which tended to hold down the increase in their demand for U.S. goods.

Apart from the effects of these cyclical developments, the response to any devaluation is generally delayed. First, it takes some time before a devaluation is reflected in the relative prices obtained by exporters and paid by importers. In the short run, to protect their market shares, foreign exporters frequently do not increase their list price in the U.S. market by the full amount of devaluation. Conversely, foreign importers frequently do not reduce their list price of U.S. goods in the foreign market by the full amount of the devaluation.

Second, when the change in relative prices does occur, its initial impact is likely to be perverse because a devaluation raises the dollar prices of imported goods and services before the volume of exports and imports responds to the changes in relative prices. In time, the effect of devaluation on real trade flows is expected to outweigh the change in prices. It is because of this sequence of events that one expects the trade balance of a devaluing country to improve in real or volume terms before it improves in value terms, which is what happened in 1972.

In the case of the United States, the trade deficit in 1972 was also affected by long-run changes in

the demand for basic materials. In particular, domestic production of fuels has not kept pace with the growth of the U.S. economy, and consequently net imports of fuels increased from \$1.7 billion in the first 10 months of 1971 to \$2.6 billion in the first 10 months of 1972. Although U.S. exports of agricultural products have also expanded rapidly, they have not fully offset this increased demand for fuels. On balance, long-term changes in trade patterns have tended to make the elimination of the U.S. balance-of-payments deficit more difficult.

THE CAPITAL ACCOUNT IN 1972

Returning to the balance-of-payments figures in Table 29, the net outflow of capital from the United States fell from \$27.7 billion in 1971 to an annual rate of \$3.7 billion in the first 3 quarters of 1972. This sharp reduction was due to several factors.

First, the realignment of exchange rates, and the preservation of international monetary cooperation among the major countries, reestablished confidence in international monetary relationships. Investors had less incentive to hedge against the risk of a change in exchange rates or the imposition of new restraints on capital transfers, and some investors were induced to bring back funds transferred abroad in 1971 for hedging purposes.

Second, a tightening of credit conditions in the United States relative to some major European countries led to a reversal in the flow of interest-sensitive funds. In line with this trend, foreign banks placed liquid funds in the U.S. money market.

Third, the rapid expansion of the U.S. economy created improved investment opportunities in the United States, and sluggish rates of growth in a number of major foreign countries reduced incentives for U.S. investment in these countries. In particular, the improved economic prospects in the United States made purchases of U.S. stocks more attractive to foreigners.

These factors affected both short-term capital movements, which recorded a net inflow of \$0.9 billion at an annual rate in the first 3 quarters of 1972 compared to a net outflow of \$10.2 billion in 1971, and long-term capital flows, which recorded net outflows of \$1.6 billion at an annual rate in the first 3 quarters of 1972 compared to \$6.5 billion in 1971.

FOREIGN EXCHANGE MARKET DEVELOPMENTS IN 1972

When the supply of a currency exceeds the demand its value tends to drop in foreign exchange markets, and when the demand exceeds the supply its value rises. In order to hold currency values in the foreign exchange market within certain limits, governments other than the United States have followed the practice of entering the market as buyers or sellers of their own currency whenever its value in terms of U.S. dollars falls or rises beyond a

TABLE 30.—Percent deviations of major foreign currencies from central rates,
December 1971–December 1972

[Currency units per U.S. dollar¹]

Currency	Central rate	Deviation of currency at end of period from central rate						
		December 1971	1972					
			Feb- ruary	April	June	August	October	De- cember
British pound -----	2.60571	-2.1	0.0	0.2	-6.2	-6.0	-10.5	-10.0
Belgian franc -----	44.8159	.4	2.2	1.5	2.2	2.0	1.6	1.7
Swiss franc -----	3.84	-2.0	-.8	-.6	2.5	1.6	1.1	1.9
West German mark ----	3.2225	-1.5	1.1	1.3	2.0	1.0	.6	.7
French franc -----	5.1157	-2.1	.9	1.6	2.2	2.2	1.6	-.1
Italian lira -----	581.5	-2.1	-.9	-.4	.2	.1	-.6	-.2
Netherlands guilder ----	3.2447	-.3	2.1	.8	2.2	.5	.5	.6
Canadian dollar ² -----	-----	(³)	-.2	.9	1.7	1.8	1.8	.5
Japanese yen -----	308.0	-2.2	1.2	1.0	2.2	2.2	2.2	2.2

¹ British pound and Canadian dollar are expressed in U.S. dollars per unit of currency. Percent deviations are based on mid-day selling rates in London.

² Measured by deviation from 1-to-1 relationship

between U.S. dollar and Canadian dollar.

³ Less than 0.05.

Source: Treasury Department.

certain range. On the basis of the Smithsonian Agreement that range was established as a maximum deviation of plus or minus 2¼ percent from the announced parity or central rate of that currency vis-a-vis the dollar; a total of 4½ percent.

Movements in the exchange rate between the dollar and the major foreign currencies can be seen in Table 30. Chart 11 shows the movements of the currencies of the European Community (EC). The EC countries have agreed to keep their currencies within a maximum range of 2¼ percent of each other, which is half the maximum spread allowed between any two currencies other than the dollar by the Smithsonian Agreement. This narrowed intra-European band of fluctuation is generally known as the "EC snake in the Smithsonian tunnel."

Changes in reserves of the major countries, as well as changes in U.S. liabilities to all foreign central banks, are shown in Table 31. Changes in reserve holdings of foreign central banks reflect primarily their intervention in the foreign exchange market to keep the value of their currencies within the agreed margins. Changes in U.S. liabilities to foreign central banks show the extent to which foreign central banks have acquired claims against the United States as a result of intervention in the foreign exchange market.

The dollar was under downward pressure and, conversely, most other currencies were under upward pressure, at the beginning of the year, before the Smithsonian rates had become fully established, and during the summer, when a loss of confidence

in the established value of the pound sterling raised questions about the whole Smithsonian structure of exchange rates. During the spring and the latter part of the year, the dollar strengthened relative to most other currencies. These movements in the value of the dollar reflected primarily changes in the degree of confidence in existing exchange rates. Changes in credit market conditions in the United States relative to those abroad also played a role.

Two major currencies did not follow the general pattern described above, the British pound and the Japanese yen. The pound sterling came under considerable downward pressure toward the end of June, when a number of factors created considerable doubt regarding the long-term viability of the British exchange rate established at the Smithsonian. After losing a considerable amount of foreign exchange in preventing the pound from dropping below the Smithsonian floor, the British authorities allowed the pound to float downward in response to market pressures. Over the next 6 months the pound dropped 10 percent below the rate set at the Smithsonian.

The Japanese yen has been under upward pressure since the end of June, reflecting the sizable surplus in the Japanese balance of payments. Throughout the second half of the year, the Japanese authorities were required to purchase large amounts of dollars in the foreign exchange market to keep the value of the yen from rising above the Smithsonian ceiling. During this period, forward yen rates remained substantially above the Smithsonian

TABLE 31.—*Changes in official reserves for selected countries and changes in U.S. liabilities to foreign official reserve holders, 1972*

Country	1972 changes (billions of dollars) ¹			
	Total ²	First quarter ³	Second quarter ⁴	Third quarter
Total official reserve for countries below	8.5	4.1	0.4	3.9
Belgium	.6	.2	.2	.2
Canada	.5	.2	.3	(⁵)
France	1.8	.2	.9	.6
Italy	—4	—1	—2	(⁵)
Japan	1.1	1.3	—8	.6
Netherlands	1.1	.6	(⁵)	.5
Sweden	.3	.2	.1	(⁵)
Switzerland	.4	—2	.3	.4
United Kingdom	—2.7	.4	3.2	(⁵)
West Germany	5.8	1.4	2.9	1.5
U.S. liabilities to foreign official reserve holders	9.4	3.2	.8	5.4

¹ Quarterly changes are based on data for end of quarters.

² Total change for first 3 quarters.

³ Total official reserves in the first quarter include 1972 SDR allocations of \$1.2 billion.

⁴ Second quarter data have been adjusted to reflect sterling outflows which were not recorded until the third quarter.

⁵ Less than \$0.05 billion.

Note.—Detail may not add to totals because of rounding.

Source: International Monetary Fund.

ceiling, reflecting market uncertainty over the existing yen parity.

The renewed confidence in existing exchange rates in the latter part of 1972, with the two exceptions just described, had several causes. One was that the determination of governments to support the Smithsonian rates was reaffirmed in July by a number of major governments. U.S. intervention in the exchange markets on a limited basis, and the stated willingness of the United States to take such action when it was desirable as a means of dealing with speculative pressures, were important symbols of cooperative support for the Smithsonian Agreement. The fact that the U.S. price performance in

1972 was better than that of any of its major partner countries, despite our rapid expansion, also contributed to the improvement in confidence during the second half of the year.

Reforming the International Economic System

Changes are required in monetary arrangements, in trading arrangements and in procedures for dealing with policies usually considered to be "domestic" but having a significant impact on international transactions. The United States has strongly emphasized not only that reform is needed in all three of these areas but also that the reforms in all three must be considered as part of a single package, since policies adopted in one field may complement or conflict with policies in the others. However, thinking is now farthest advanced with respect to monetary reform and we devote most of this chapter to it.

The President has also taken steps to improve the handling of international economic issues within the U.S. Government, to take better account of the close interconnections of all aspects of international economic policy with each other and with domestic policy. The recently created Council on Economic Policy will provide a framework for the unified consideration of domestic and international economic issues. The Council on International Economic Policy (CIEP) continues to have responsibilities for foreign economic policy within the framework of the Council on Economic Policy, and the director of CIEP is a member of the latter group. Other steps to improve the handling of the economic aspects of foreign relations include the appointment of a higher ranking official to be responsible for economic policy in the State Department and the development of more effective procedures for the National Advisory Council on International Monetary and Financial Policies, the body which coordinates the foreign lending policies and activities of the U.S. Government.

THE INTERNATIONAL MONETARY SYSTEM

The suspension of the convertibility of the dollar into gold on August 15, 1971, gave public recognition to the fact that the postwar international monetary arrangements, known as the Bretton Woods system, had become untenable. Interim arrangements, including the negotiation of a multilateral realignment of exchange rates at the Smithsonian Institution in December 1971, have been developed, but they do not provide a long-term solution to the problems which made changes in the rules of the Bretton Woods system inevitable. The arrangements have greatly facilitated the maintenance of normal international commercial and investment relationships, but they do not constitute an adequate system of rules for the international monetary system in the long run.

A stable international monetary system must meet several major requirements if it is to serve as the basis for the continued expansion of world trade and investment. First, it should be *market-oriented*. For the sake of both efficiency and equity, the mechanism for balancing each country's total foreign exchange receipts and payments over the long run should function in such a way as to minimize interference with individual market transactions. Second, the settlement of payments balances among countries should be *multilateral*, so that every country can offset its deficits with some countries by means of surpluses with others. To fulfill this condition, the system must provide for the ultimate settlement of claims in terms of commonly accepted reserve assets. Such a generalized payments system makes possible a far higher level of international trade and investment transactions than would be feasible if each country had to balance its payments bilaterally with every other country in a network of barter relationships. Third, the system should be *stable*. International commerce frequently entails long-run commitments and hence requires stable expectations about conditions affecting the future profitability of international transactions.

In order to meet these requirements the international monetary system must fulfill certain specific functions. It must provide an effective and equitable mechanism for *adjustment* of payments imbalances among countries, so that external payments imbalances are not allowed to persist and accumulate. It must also provide international monetary reserves in adequate amounts and in forms acceptable to the participants in the system, i.e., international *liquidity* has to be adequate. If the system permits the creation of too much international money, international inflationary pressures will be created; if too little international money is created, deflationary pressure or pressures for restrictions on international transactions will result. Finally, the system must operate in such a way as to create and maintain *confidence* in its continued viability and in the value of the international reserve assets associated with it.

Characteristics of the Bretton Woods System

The Articles of Agreement which established the International Monetary Fund (IMF) in the immediate postwar period reflected a heavy emphasis on the need for stability and confidence in the international monetary system. The rules embodied in the Articles dealt primarily with such questions as the conditions under which governments could change their exchange rates, or borrow from the Fund to cover deficits, or impose exchange restrictions. The primary objective was to prevent arbitrary actions by governments in these areas, and in meeting this objective the Articles were highly successful.

Under the Articles of Agreement, governments were obligated to support their exchange rates at agreed parity levels in either of two ways—by buying or selling their own currency in the foreign exchange market whenever the rate rose 1 percent above or fell 1 percent below parity, or by making their currency convertible into gold or other reserve assets at the request of a foreign official institution. In practice, all countries but the United States have supported their currencies by buying or selling them for dollars, while the United States has maintained the convertibility of dollars into gold or other reserve assets tied to gold.

The rules permitted changes in a country's parity when its balance of payments was in fundamental disequilibrium. In practice the parities were changed only infrequently, generally after a prolonged period of disequilibrium in external payments. There was also a widespread belief that, because of the importance of the United States in world trade and the central role of the dollar in the international monetary system, the United States could not change its exchange rate. In any case, since most other countries were pegging their rates to the dollar in the foreign exchange market, the United States could not be certain that a change in the price of gold would actually result in a change in the value of the dollar in terms of foreign currencies.

The Articles of Agreement did not address themselves explicitly to the question of liquidity. The expectation was that, as in the past, newly mined gold would provide the major source of new official reserves. It was also implicitly assumed that countries would hold certain currencies as additional reserves. There were no arrangements, however, for reviewing or influencing the growth of liquidity. The growth of reserves was thus dependent on the vagaries of gold markets and on deficits in the balance of payments of reserve currency countries. In practice, the U.S. deficits provided the bulk of new reserves for the rest of the world.

The inadequacies of the system with respect to the process of liquidity creation led to an important step forward with the recent creation of Special Drawing Rights (SDR's), an internationally created obligation of the International Monetary Fund. With the establishment of SDR's, the system no longer had to rely on a persistent deficit in the U.S. balance of payments for the creation of new reserves. The creation of SDR's could not in itself restore equilibrium to international payments, however, since provisions for the adjustment of payments imbalances remained inadequate.

The Articles of Agreement were not very explicit about the circumstances under which countries should take action to remove balance-of-payments deficits or surpluses. The assumption was that deficit countries would sooner or later run out of reserves or borrowing facilities and therefore would have

to adjust. However, surplus countries could postpone adjustment as long as they were willing to accumulate reserves. Since the major deficit country, the United States, could not adjust its exchange rate without endangering the operation of the system, and since most of the surplus countries were persistently reluctant to change their own rates, the disequilibrium in world payments increased through the latter half of the 1960's until it reached a breaking point in mid-1971. At that time, the disequilibrium became so large that speculative pressures caused billions of dollars to be exchanged for foreign currencies within a few days. These currency movements greatly increased U.S. liabilities to foreign official institutions and further reduced the stock of U.S. reserve assets. This brought to a head a problem which had been developing for some time: how to maintain convertibility as the stock of dollars held by foreign official institutions grew and the United States' own stock of reserve assets, mainly gold, shrank.

On August 15, the President announced a suspension of the convertibility of the dollar into gold or SDR's. This action withdrew U.S. support from the old exchange rates between the dollar and other foreign currencies, and in effect put the dollar on a floating basis. Subsequently, a new set of exchange rates was agreed upon at the Smithsonian Institution, and as part of that realignment the United States agreed to increase the U.S. official price of gold from \$35 to \$38 an ounce. This 8.5-percent increase in the price of gold was signed into law on March 31, 1972. The United States has not resumed the convertibility of the dollar, but has said that it will undertake appropriate convertibility obligations in the context of a suitably reformed international monetary system, provided that the U.S. balance-of-payments and reserve positions improve sufficiently to make such an undertaking viable.

Preparations for International Monetary Reform

Some of the major problems to be dealt with in a reform of the international monetary system, as well as a number of approaches to their solution, were examined in a report submitted by the Executive Directors of the International Monetary Fund to the Board of Governors in August 1972. At about the same time, the member countries of the International Monetary Fund agreed to create a committee to conduct negotiations on reform. This committee, the Committee of Twenty, is patterned after the representational system used in the Executive Board of the International Monetary Fund, where the membership is broken down into twenty constituencies, each with a single spokesman to act on behalf of all the countries in the constituency. Although some of the constituencies are formed by single large countries, as is true with the United States, most comprise several smaller countries.

The first meeting of this new group was held at the annual session of the International Monetary Fund in September 1972; this was followed by several meetings of deputies, who expect to prepare a draft outline of the main reform proposals in time for the 1973 annual meeting of the International Monetary Fund.

U.S. Ideas on International Monetary Reform

In order to help get the negotiation process underway, the United States has advanced some general proposals on reform. The U.S. approach is evolutionary, seeking to build on existing principles and practices where they have proved useful and have met with international approval. At the same time, it proposes certain important changes to ensure the viability of the new system. The primary emphasis is on the creation of an effective and evenhanded mechanism for the adjustment of payments imbalances that would place all countries, surplus and deficit alike, under agreed and broadly symmetrical rules and responsibilities for taking action to restore equilibrium. In the U.S. view, the most promising approach is a system in which disproportionate changes in a nation's reserves in either direction indicate the need for measures to eliminate the payments imbalance. Within such a system of symmetrical adjustment discipline, the U.S. approach would allow considerable diversity in the choice of instruments for bringing about adjustment. One way to widen the choice of adjustment tools would be to allow increased flexibility of exchange rates.

With respect to international liquidity, the U.S. proposal envisages an increase in the importance of the SDR and the elimination of various encumbrances which reduce its usefulness as a reserve asset. At the same time, the U.S. proposal contemplates a gradual diminution of the role played by gold in the international monetary system. Holdings of foreign currency reserves would be neither banned nor encouraged, but it is expected that they would become a smaller proportion of total international reserve assets than they are today.

The Adjustment Process

In developing its proposals the United States has taken into account a number of realities about the international adjustment process. First, every government seeks to retain a large degree of discretion in managing its economy, in order to meet the specific social and economic concerns of its citizens. Second, the policies of every government are necessarily affected and constrained by the interaction of its economy with the outside world, since international trade and investment are increasingly important factors in the economic prosperity of all countries. The U.S. proposal seeks to achieve a proper balance between these two conditions by retaining considerable national discretion with respect

to the method and timing of adjustment, but by imposing a stronger international discipline to ensure the achievement of adjustment objectives.

Reserves as objective indicators for adjustment. The U.S. proposal, that disproportionate changes in reserves in either direction be used as the primary indicator of the need for balance-of-payments adjustment, is described in detail in Appendix A.⁴ In summary, the proposal is that certain points should be established above and below each country's "base," or "normal" level of reserves, and that movements in reserves beyond these points would signal the need for balance-of-payments adjustment.

The U.S. proposal is based on the recognition that countries experiencing a persistent deterioration in their reserve positions have always had to devalue their currencies or to take other adjustment measures. The U.S. proposal would make this discipline symmetrical for both deficit and surplus countries by providing that a disproportionate gain in reserves would indicate the need for adjustment actions by surplus countries to the same extent that disproportionate reserve losses now impose pressure on deficit countries to adjust.

Symmetry in the adjustment process, as provided for in the U.S. proposal, is desirable for several reasons. Active implementation of adjustment policies, as opposed to passive acceptance of the domestic consequences of adjustment by others, frequently entails political costs (as in the case of an exchange rate change, which governments have commonly considered to be a confession of weakness). And it may sometimes involve economic costs of adjustment as well (when, for example, a deficit country tolerates an increase in unemployment in order to improve the payments balance through demand restraint). Thus, a balanced distribution of the responsibility for initiating adjustment is in part a question of equity.

Such symmetry also makes the process of international adjustment more efficient. If countries on both the deficit and the surplus sides of a payments imbalance follow active policies for the restoration of equilibrium the process is likely to be easier than if the deficit countries try to bring about adjustment by themselves. Deficit countries would in any case be unable to restore equilibrium unless surplus countries at least followed policies consistent with a reduction of the net surplus in their payments positions. Such problems can best be avoided by clarifying the responsibilities of both groups of countries in bringing about payments adjustment.

The use of reserve criteria also focuses on the close relationship between the speed of adjustment and the need for liquidity. The less efficient and prompt the adjustment process, the larger is the global need for reserves; the smaller and less elastic

the total stock of reserves, the more stringent the demands will be on the adjustment process. In a system where the adjustment process is tied to reserves, the total volume of reserves created can be related to the sum of countries' individual reserve targets as reflected in the internationally agreed indicators. If the two are not made consistent, sustained balance-of-payments equilibrium cannot be obtained. Failure to provide the system with adequate reserves puts deflationary pressure on deficit countries and induces a disruptive competition for scarce reserves. In contrast, the creation of too large a volume of reserves places the major share of adjustment pressures on surplus countries and exacerbates tendencies toward world inflation.

A link between adjustment measures and reserve changes is essential if a generalized system of convertibility of national currencies into international reserve assets is to be sustainable. In the long run, convertibility can be maintained only if the adjustment mechanism prevents the development of large and persistent imbalances which would inevitably prevent a deficit country from providing conversion of its own currency into primary reserve assets.

Reserve indicators have several other advantages as compared to other conceivable adjustment guides. They are comprehensive, quickly available, and relatively unambiguous. Furthermore, they do not discriminate between one set of transactions and another. They leave the relation between specific types of transactions to market forces, focusing only on the overall level of the balance of payments. In a system based on the market principle, it would be inappropriate to base judgments about the need for adjustment solely on trade, or the current account, or the capital account.

Adoption of reserve criteria as a primary indicator of the need for adjustment does not imply automaticity. The system would operate in the context of a multilateral review procedure. While excessive reserve changes may create an increasingly strong presumption that effective adjustment measures are called for, a country could still convince the international community that the signals were wrong and adjustment was not appropriate. In such a case the reserve indicator could be overridden. Moreover, the use of reserve indicators would not preclude such supplementary guides as might be available.

Short-term capital movements may present a problem in managing any system of adjustment, including one based on reserve indicators. Large movements of such funds in response to differences in interest rates, or the expectation of future changes in exchange rates, could bring about large changes in reserves. This could signal the need for adjustment actions even though they might not otherwise be thought appropriate. It should be possible, however, to identify such cases in the multilateral review and to override the signal by in-

⁴ Not printed here.

ternational agreement. Moreover, the wider margins within which exchange rates can fluctuate have already provided a useful cushion against short-term capital movements initiated by interest rate differentials, and these margins should become more effective in a system where the maintenance of inappropriate parities is avoided.

Greater flexibility in the exchange rate. An important feature of the U.S. proposals is that they would make exchange rate changes a more useful internationally acceptable instrument of adjustment. The U.S. suggestions regarding the exchange rate mechanism assume that most countries will generally choose to continue their practice of maintaining established values for their currencies. At the same time, the United States recognizes that the difficulties caused by prolonged maintenance of inappropriate exchange rates can be avoided only if countries adjust their parities more promptly than was usual in the past.

The U.S. proposal recognizes the current evolution of more flexible techniques of exchange rate management. For example, despite the fact that floating a currency—suspending the maintenance of its value by exchange market intervention—is technically a violation of the Bretton Woods Agreement, a number of important countries have done so. Such floats may be either transitional, as a way of utilizing market signals in determining a new rate, or indefinite in their duration. The Canadians have floated during long intervals for more than two decades, the Germans have floated twice in recent years, and the British have been floating since mid-1972. The U.S. proposal would permit either transitional or indefinite periods of floating, but it would impose standards on countries adopting floating regimes to guard against their use as instruments for competitive devaluation.

The United States also proposes that countries which maintain parity exchange rates adopt wider margins within which the market exchange rate is allowed to fluctuate. The Smithsonian Agreement temporarily increased the permissible margins from 1 percent on either side of dollar parity to 2¼ percent above or below dollar parity, implying a maximum spread of 4½ percent between any two nondollar currencies. A number of countries have adopted these wider margins. The United States favors the permanent adoption of margins for all currencies, including the dollar, that are in the same range as those permitted for nondollar currencies under the Smithsonian Agreement. Since the dollar currently serves as the chief intervention currency it can never deviate from its parity with any other currency by more than the width of the margin, or 2¼ percent. For any two nondollar currencies, however, the maximum spread is twice the margin, because one currency could be at the floor while the other currency was at the ceiling. To do away with this particular asymmetry will require

innovations in the techniques of exchange market intervention, a question which will have to be addressed in the context of the general reform effort.

A larger zone within which fluctuation can take place without government intervention implies more opportunity for the operation of market forces and can facilitate small changes in parities. Wider margins can also lessen the incentives for short-term capital flows in response to interest rate differentials by increasing the scope for forward premiums or discounts in the exchange markets, thus neutralizing such differentials.

The desire for symmetry between the margins for the dollar and for other currencies reflects the view that, whereas the dollar had unique functions and responsibilities in the old system, its role in the new system should be closer to that of other important currencies. Under the Bretton Woods system, other countries maintained or changed the values of their currencies in relation to the dollar, and the United States was passive. The proposed change would give the United States more freedom to exercise control over its own exchange rate, not only in influencing the rate within the margins around parity, but also in changing the parity itself. Of course, under any system this freedom will be limited by the fact that the United States is so important in world trade that any change in the value of the dollar would strongly affect other countries. In addition, the dollar will undoubtedly continue to be an international medium of exchange, even when no Americans are involved, and substantial amounts of dollars will still be held abroad in private and official hands. Therefore, reasonable stability in the value of the dollar will be desirable. Nonetheless, in a reformed system the dollar should have considerably more flexibility than it did before.

Other techniques of adjustment. Under the U.S. proposal a variety of mechanisms for restoring payments balance would be available, among them changes in monetary and fiscal policy. Furthermore, in keeping with the goal of the international monetary system to encourage a freer flow of resources, surplus countries would be encouraged to remove barriers to imports and capital outflows, while deficit countries would be encouraged to remove barriers to exports and capital inflows.

Such a choice among adjustment measures is essential, not only to preserve national sovereignty, but also because the nature of the imbalance may itself suggest a particular form of policy response. Furthermore, the existence of uncertainty about whether or not adjustment will take the form of a change in the exchange rate can itself be a stabilizing influence by holding down speculation in response to reserve changes.

The U.S. proposal would in extreme circumstances permit the imposition of direct restraints for balance-of-payments purposes. Their use, however, would be appropriately circumscribed to ensure that

controls remained temporary and caused the least possible distortion in the pattern of trade and investment. Controls or surcharges on some transactions and not on others distort economic relationships, and for that reason broad adjustment measures are generally preferable. And where selective measures are used, price-based barriers such as taxes or surcharges are generally preferable to quantitative barriers such as quotas. Taxes on some transactions and not on others change relative prices, but they do not insulate such transactions from market pressures, as quotas do. This view contrasts with the present rules of the General Agreement on Tariffs and Trade (GATT), which specifically authorize quantitative restrictions but not surcharges for balance-of-payments purposes.

The U.S. proposal furthermore reflects the view that controls on capital transactions for balance-of-payments purposes should not be encouraged and certainly should not be required in lieu of other measures of adjustment, nor should they become the means of maintaining an undervalued or overvalued exchange rate. This position is based on a belief that restrictions have a distorting influence whether they are focused on trade in commodities, in services, or in assets (the capital account), and that this parallelism should be recognized in the rules governing the reformed international monetary system. In contrast, the provisions of the earlier system made a sharp distinction between controls on trade and other current transactions and controls on capital transactions.

The U.S. proposal assumes that countries would take their responsibilities seriously and would usually take steps toward adjustment before such steps became necessary on the basis of the indicators. In the few cases where countries might persist in avoiding adjustment, however, certain international sanctions would become operative. On the deficit side, for example, failure to adjust might lead to refusal to provide credit, as under the old system, or to loss of scheduled SDR allocations. On the surplus side, the international inducements for adjustment might include the risk of losing scheduled SDR allocations or a tax on the country's excess reserve holdings. In some situations, other countries might be authorized to impose a surcharge on imports from the chronic surplus country until effective measures were taken to correct the situation. The Bretton Woods Agreement incorporated a provision similar to this last one, the so-called scarce currency clause. However, because this provision was never invoked, there was no effective form of international pressure on surplus countries to adjust.

International Liquidity

The magnitude, composition, and distribution of world liquidity have undergone substantial changes in recent years. From the end of 1969 to the end of

October 1972, gross international official reserves increased from \$78 billion to \$152 billion, or almost 100 percent in 3 years. Part of this increase was in newly created Special Drawing Rights, but most of it was in dollars. Gold and reserve positions in the International Monetary Fund remained at approximately the same level as in 1969. As a result, a significant change occurred in the proportional composition of international reserves. Gold dropped from 50 percent to 26 percent, reserve positions in the IMF dropped from 9 percent to 4 percent, foreign exchange rose from 41 percent to 64 percent, and SDR's, which did not exist in 1969, provided 6 percent of world reserves.

For the future, the United States supports movement toward increasing reliance on the SDR as the primary source of world reserve growth and toward progressive reduction in the role of gold as a reserve asset. The U.S. proposal also assumes that currencies will play a much smaller role in reserve holdings in the future than they do today. In that connection, proposals for exchanging a portion of reserve currency holdings into a special issue of SDR's deserve careful study as part of the transition to a new system.

SDR's as the primary international reserve asset. As part of its proposals for reform, the United States has supported increased importance for SDR's; they should become the formal unit of account of the system, to serve as the common reference point for currency rates and as a common measure of the value of reserve assets. Such an arrangement would offer important advantages, in that it would eliminate several potential sources of instability—private and official—which have been particularly troubling for the international monetary system in the past.

First, the system would not be subjected to strains arising from private demands for the primary reserve asset. The SDR has no commodity uses and there are no plans, at least at the present time, for allowing the SDR to be held as a financial asset in private hands. The value of the SDR in terms of currencies would be determined purely on the basis of considerations related to the monetary system itself, and not by occurrences in often volatile commodity markets.

Second, the system would not have to depend on increasing the value of the SDR for increases in official liquidity. Instead, the SDR was designed to expand (or contract) international liquidity through changes in the volume of SDR units outstanding, thus avoiding speculative problems caused by changes in the value of the basic reserve asset relative to other types of money.

Third, SDR's would not be subject to the problem of confidence created by primary reliance on reserve currencies. Under the Bretton Woods system, the demand for reserve assets was increasingly met by the reserve currencies. The larger the amount

of a currency held by foreign official institutions, however, the greater the risk that confidence may be undermined by the accompanying deficit in the balance of payments of the issuing country. Furthermore, the commitment of the reserve currency country to maintain convertibility into reserve assets becomes less and less credible as the stock of its outstanding liquid liabilities increases. The SDR is not subject to these particular problems of confidence, since the liability is spread among all participating countries and it is not convertible into other reserve assets. Confidence in the SDR is primarily a function of the commitment and willingness of governments to accept it in settlement of debts.

Certain changes in the nature and the use of the SDR would make it a more attractive and useful asset. To the extent possible, for instance, SDR's should be freed from the encumbrances of reconstitution obligations, designation procedures, and holding limits. These special features of the SDR mechanism were probably necessary when that instrument was a new and untested asset. In the absence of an effective adjustment mechanism, it was considered desirable to place limitations on the magnitude of payments imbalances to be financed through SDR transfers. The need for such special features would be reduced or eliminated in a reformed system. Moreover, the elimination of these special provisions would enhance the SDR's practical utility. The rules of the International Monetary Fund should also be changed to permit SDR's to be used in all IMF transactions now permitting or requiring gold. SDR's would thus truly become the basic international money.

The role of reserve currencies. The United States has also proposed that in a reformed system official holdings of foreign exchange should be neither banned nor encouraged. Such holdings of national currencies may provide a useful margin in reserve management, and fluctuations in such holdings could add some elasticity to the system as a whole in meeting sudden flows of volatile capital. A system which prohibited nations from holding foreign exchange other than working balances would be a much more rigid system. It would provide no short-term flexibility to allow for reserve expansion over and above SDR allocations when the demand for reserves is abnormally high for brief periods and there are no other immediately available means for responding to sudden and reversible speculative pressures. In practice, there would be a much greater danger that such a rigid system would break down under the normal pressures which can develop in a liberal world trading and payments order where the level of international transactions is large in comparison with the level of world reserves. Inability of the international reserve mechanism to adapt flexibly in periods of strain could seriously undermine the effort to move toward a more liberal trade and payments system. At the same time, since

countries would commit themselves to convert foreign official currency holdings into common reserve assets, a country should be able to place limits on the amount of its currency which other countries may hold as reserves.

Gold as reserves. The United States believes that the role of gold in the international monetary system should continue to diminish, and would support orderly procedures to facilitate that process. A declining role for gold is fully consistent with the long-term trend of monetary history. Governments long ago recognized the inadequacy of gold as a basis for national monetary systems, and in recent decades the dependence of the international economy on that metal has diminished sharply. With the physical supply of gold limited; with its commodity uses competing inevitably and increasingly with its monetary uses; and with residual noncommercial availability in no way related to the liquidity needs of a prosperous and expanding international economy, the world has naturally developed supplements and substitutes.

The current situation—where speculative pressures on a thin and volatile commodity market have led to a price much higher than the official gold price—is evidence of the instabilities and tensions inherent in a system based on gold or other commodities. In 1972 alone, the commodity price of gold varied between \$44 and \$70—a difference of 60 percent of the lower figure. Whatever the established monetary price of gold, it is certain to get out of line with the price tendencies prevailing on the private market. Care must be taken to avoid exposing the reformed monetary system to that source of instability.

THE INTERNATIONAL TRADING SYSTEM

A new round of multilateral trade negotiations within the framework of the GATT is scheduled to begin in the fall of 1973. The purpose of these negotiations will be both to expand the scope for international trade and to improve the institutional process for resolving international trade disputes. The world as a whole, including the United States, has benefited substantially from the expansion of trade made possible by previous multilateral reductions of trade barriers. At the same time, conflicts over trade issues have intensified in recent years. In the approaching trade negotiations, new ways will have to be found to resolve such conflicts in ways conducive to the growth of trade.

World trade expanded more than fivefold in the last 20 years, and this expansion has been accompanied by an equivalent expansion of world output. The average annual growth in the value of both world trade and economic output during this period was about 8 percent. While the expansion of trade was only one reason for these output gains, it was undoubtedly an important source of growth. Trade not only allows each country to produce what is

best suited to its capabilities, it also provides competition which stimulates everyone to produce goods more cheaply and to improve their quality.

Although the United States is less dependent on trade than most other nations, the role of trade in the economy has grown. Over the last two decades, GNP in the United States has increased about three and one-half times, while trade has increased more than four times. Exports have become a more significant source of employment and income for those sectors in which the United States has a comparative advantage, particularly agriculture and high technology manufactures, while imports are becoming more important as the source both of the raw materials and fuels used by U.S. industry and of consumer goods whose production requires much use of relatively unskilled labor.

Over the last 5 years, imports of goods by Americans have increased much faster than foreign purchases of goods made in the United States. This imbalance has caused difficulties for the United States as well as for the world economy, and its correction is therefore in the interest of both. It can be accomplished in part through equilibrating changes in exchange rates and relatively more effective anti-inflationary measures in the United States, both of which change relative prices and thus improve the competitiveness of U.S. goods and services. Much progress has been made on this front in the past 18 months. Reductions in foreign trade barriers can also contribute to correction of the payments imbalance. A number of countries, particularly Japan, took some liberalizing actions in 1972 aimed at alleviating the disequilibrium situation. It is hoped that further actions during 1973 will contribute to this adjustment process.

Aims of Trade Negotiations

The trade negotiations scheduled to begin in the fall of 1973 look to the longer term. Their goal is to remove the sources of difficulties that have arisen under present trading arrangements and to provide for the expansion of trade on the basis of mutual advantage and mutual commitment with reciprocity. However, results from the negotiations in the form of concrete changes affecting the world trading system are likely to be gradual and will not begin to take effect for several years.

In approaching these negotiations the United States seeks, as it has since the end of World War II, a more open and equitable world trading system. A freer movement of goods, services, and capital throughout the world in response to market forces is in the U.S. interest for several reasons. To the extent that trade is undistorted by artificial barriers, our producers can sell what they make best and our consumers will reap the benefits of efficient production and competition on a worldwide basis. These benefits to the United States will not conflict with the interests of other countries. All countries can

expect gains from expanded world trade on a non-discriminatory basis.

A world trading system that minimizes trade distortions is also one of the important prerequisites for a smoothly functioning international monetary system. The more barriers that countries erect to the flow of goods, services, and capital, the more the adjustment of payments imbalances is focused on the narrower range of economic activity which remains free to respond to market forces. The result is to place heavy and uneven burdens of adjustment on particular sectors, often forcing countries to choose between accepting severe economic dislocations and postponing overall adjustment.

Comprehensive trade negotiations are made even more urgent by the accelerated liberalization of trade within the enlarged European Community and countries associated with it. This development will stimulate growth and increased trade among countries within Europe, and will make possible expansion of trade with the outside world as well. At the same time, when a group of countries eliminates trade barriers among themselves while maintaining them against the outside world, the immediate effect is to divert trade from outside suppliers to suppliers in member countries.

In the process of harmonizing their tariffs with the EC's common external tariff, the new members of the EC will be increasing some tariffs and reducing others. Under the rules of the GATT, compensatory tariff reductions must be offered for any increase in tariffs fixed in previous agreements. In the course of this year, the United States and others will negotiate with the EC over the amount of compensation considered adequate. But, such compensation will not be able to take full account of the new situation that has been created by the changes in European trading arrangements. Only a negotiated reduction in the general level of tariffs and nontariff barriers (NTB's) can effectively reduce the discrimination that results from the removal of trade barriers within Europe.

The expansion of the EC has also been accompanied by the negotiation of preferential trade agreements between the members of the European Community and a large number of other countries in Europe and Africa. Most of these agreements provide for preferential access for exports of both parties in each other's markets, thus inherently discriminating against exports of outsiders. This proliferation of preferential trade agreements threatens to erode the most-favored-nation (MFN) principle, which provides that all trade concessions agreed on between two or more countries be extended to all countries that adhere to the General Agreement on Tariffs and Trade. While the GATT permits formation of free trade areas or customs unions that involve the elimination of barriers on substantially all internal trade, it does not permit more limited selective preferential arrangements.

The MFN principle has been the cornerstone of the postwar liberalization of multilateral trade. By ensuring nondiscrimination in the application of trade barriers, it minimizes the inefficiency and distortions caused by such barriers. It also avoids trade diversion and thus injury to third parties from selective reduction of trade barriers. And finally, it makes possible a greater trade liberalization in the course of multilateral GATT negotiations by ensuring that any trade concession negotiated between two or more countries will be promptly extended to a large number of countries. For these reasons, it will be important to clarify the obligations assumed by GATT members with respect to the MFN principle.

In view of the increasing importance of nontariff barriers as tariff barriers are reduced, it is crucial that the movement toward a more open trading system be comprehensive, encompassing all forms of barriers to trade. Among the major types of NTB's that distort trade are quantitative import restrictions, export subsidies, restrictive government procurement policies, and discriminatory design and performance standards.

Negotiations covering such a wide range of issues will be difficult for a number of reasons: trade distortions may arise from otherwise legitimate domestic social policies; many of these practices are embedded in domestic laws; there is no simple basis for measuring reciprocity in tradeoffs between one type of NTB and another; and the feasible time schedule for concluding negotiations and implementing agreements is likely to vary widely from one NTB to another. Nonetheless, inclusion of these measures in future trade negotiations is essential; and considerable preparatory work, both technical and definitional, has already been done, in the United States as well as in a number of international groups and organizations.

Further steps toward trade liberalization should also be comprehensive in the sense that they encompass all economic sectors. From the point of view of the United States, it is particularly important that such negotiations include agricultural as well as industrial trade. Abundant natural resources and advanced farm management and technology give this country a comparative advantage which makes our farm products highly competitive in world markets. Our agricultural exports are estimated to have reached an all-time high of \$9½ billion last year. With rationalization of the agricultural policies and liberalization of the related restrictive import policies maintained by most industrialized countries, the United States could realize its full potential for trade in this important sector.

Institutional Reforms

Certain institutional reforms would greatly help the movement toward a more open and more equitable trading system. The present GATT framework,

which has served well for the liberalization of trade, particularly tariff barriers, now needs to be strengthened and modified. In particular, better procedures should be found to deal with difficulties and disputes arising out of changes in trade patterns and trading arrangements among particular countries.

The failure of institutional arrangements to deal effectively with this range of problems poses certain dangers. Countries that cannot find a satisfactory multilateral solution to their trade difficulties will increasingly be under pressure to adopt unilateral restrictive measures that make trade less free and are often discriminatory in their effect. Trade disputes that are not resolved promptly and in accordance with agreed rules also tend to create political problems at home that spill over into other areas and affect political and security relations among countries. Such trade disputes can also prevent the smooth functioning of the international monetary system, both by distorting economic flows and by undermining confidence in existing economic relationships.

Difficulties have arisen in the past with respect to measures which countries take to cushion the domestic impact of abrupt changes in trade patterns. Under the existing rules of the GATT, countries can take temporary measures to restrain imports when rapid increases threaten to disrupt domestic industry. A country imposing such restraints, however, is required to compensate other countries for any loss of trade that may result by making equivalent reductions in other trade barriers. These rules have proved unworkable in practice, and governments have tended to evade them.

In limited instances, the adjustment required by a change in trade patterns may be too large to be accomplished in a short time without excessive social, personal, and political costs. In such cases temporary restraints on the pace at which imports increase can provide time for the adjustment of domestic resources to take place in the most constructive and least painful way. These safeguards can also make it less likely that some countries will resist general trade liberalization, fearing that it would cause abrupt dislocations in particularly sensitive industries.

A number of proposals have been put forward for a new safeguard system which would assure that such measures are taken within the multilateral framework. If safeguard actions are negotiated on a multilateral basis, they are not nearly so likely to become a disguised form of protectionism as they are if they are imposed by individual countries without international standards. Under the proposed system, it would be possible for importing countries to restrain imports temporarily without compensatory reductions of other trade barriers. Such actions would, however, be subject to commonly accepted criteria, a procedure for international review, and provisions to prevent abuse

of the system. The system should also include an understanding that temporary safeguards must be accompanied by effective domestic adjustments in the allocation of resources.

These various matters relating to reform of the international trading system were discussed over a 2-year period by the OECD High Level Group on Trade and Related Problems, a group of experts representing the major industrial countries. Its report, issued in the summer of 1972, addresses all the major issues concerning trade, including tariffs, nontariff barriers, unilateral safeguards, trade in agricultural products, involvement of the less developed countries, and East-West trade. Although there were divergences of opinion on some issues among the group, particularly on agriculture, a high degree of agreement was found on major substantive issues. The report emphasizes the desirability of further liberalization of world trade and points to the economic and political dangers inherent in a return to protectionism.

OTHER ASPECTS OF INTERNATIONAL ECONOMIC COOPERATION

The reform of the international monetary and trade systems will have a global focus, inasmuch as the scope and membership of both the International Monetary Fund and the GATT are worldwide. Not all problems that arise in international economic relationships can best be solved in a global framework, however, since many issues that arise are of special interest to certain groups of countries. In many cases institutional mechanisms have been created for the purpose of examining common problems or exploring common approaches, in other cases there exists only a focus for analysis.

The discussion below examines three sets of relationships that cut across trade and monetary lines. The first is concerned with problems that arise among the industrialized market economies as a result of the high degree of economic integration among them. The second focuses on the various dimensions of the monetary, trade, investment, and economic assistance relationships between developed and developing economies. The third looks at the problems that may arise as economic relationships expand between centrally planned economies and the rest of the world.

Domestic Policies Affecting Trade and Investment

International monetary and trade rules are focused on measures affecting the flow of goods and financial assets across national borders. They do not, on the whole, touch upon internal policy measures which are not directed to international transactions as such but which nevertheless affect the international location of economic activity. In an integrated world economy, however, measures taken in one country may have substantial effects on the allocation of resources in other countries, and conflict among policy objectives of various countries is therefore

possible. These interrelations have reached a particularly advanced state among the industrialized market economies. For this reason, the Organization for Economic Cooperation and Development (OECD), whose membership comprises most of the industrialized market economies, provides a useful forum for discussions on questions of internal economic policies, their role in transmitting economic influences from one country to another, and their relation to international economic transactions.

A step toward intensified use of the OECD forum for such discussions was taken recently when the Executive Committee of the Organization met for the first time at higher political levels than before (Executive Committee New Style) to discuss new fields for possible cooperation. Just how the focus of this area of international cooperation will be delineated remains to be worked out, since it is not always possible to distinguish the matters that clearly belong in the international monetary or trade sphere from those relating primarily to internal policies. In particular, this latter area overlaps with nontariff barriers which affect international trade and also with capital controls related to the monetary adjustment process. Among the questions likely to fall within the purview of this area, however, are those concerned with national investment policies, including policies relating to multinational corporations.

At its recent meeting, the OECD Executive Committee New Style agreed to explore possible forms of cooperation on national policies affecting investment. Such policies are a particularly sensitive concern of all governments, representing an area where national interest can conflict. By subsidizing or otherwise encouraging some industries and not others, governments can affect the pattern of domestic production and international trade. Investment policies can thus be used to some extent as substitutes for trade policy measures. The use of either may distort relative prices and cause a less than optimal allocation of world resources. Although subsidies and trade restrictions can influence the location of production in similar ways, subsidies affect adversely the terms of trade of the country giving them, while trade barriers such as tariffs can shift the terms of trade in favor of the country which imposes them.

Subsidies are not the only internal policy measure affecting investment, production, and trade. Other frequently used policy tools are taxes, antitrust policies, regulatory policies, patent policies, and government procurement policies. There is a need to explore cooperatively the possibility of limiting the use of such policies where they severely affect other countries.

Another field of investment policy open to conflict among national interests is the matter of rules governing the ownership of capital, including land, productive facilities, and financial assets. No nation would readily surrender the right to implement

such rules, but every nation has an interest in protecting its citizens from arbitrary treatment by other governments. Considerable cooperation in this area has already been achieved by the OECD, in particular in promulgating the Code of Liberalization of Capital Movements. Further progress would increase both efficiency and fairness in international economic relations.

Another item of common interest in the investment area is the multinational corporation. Multinational corporations transmit capital, technology, and management skills from one country to another. Their ability to manage resources in an international rather than a national market has tended to improve the overall efficiency of the world economy. Because their operations extend beyond the boundaries of any single nation, however, a number of jurisdictional questions arise, and with increasing frequency these corporations are believed—rightly or wrongly—to affect a country's ability to pursue and achieve its domestic economic objectives. Moreover, multinational corporations personalize what would otherwise seem to be impersonal market forces that transmit the impact of economic decisions from one country to another. For this reason, these corporations tend to become a focal point for problems faced by national governments as a consequence of the growing economic interdependence among nations.

The OECD may also seek to work out cooperative arrangements on such questions as regional policies, industrial policies, agricultural policies, general adjustment policies, regulations governing financial markets, and principles of taxation.

Industrialized and Developing Economies

One of the important objectives of reform is to create a more stable and mutually beneficial framework for economic relations between developed and developing countries. Both groups of countries can benefit from reducing the degree of arbitrariness in national decisions affecting international trade, investment, and aid. The approaching negotiations provide an opportunity for mutual commitments that will serve the common interest and can facilitate achievement of the commonly accepted goal of reducing the global gap in economic prosperity.

Developed and developing countries are dependent on each other in many ways. Developing economies are the source of a substantial proportion of the raw materials used by the industrialized economies, and increasingly the source of manufactures involving labor-intensive production methods as well. On the other hand, industrialized economies are the source of much of the capital equipment, technology, management skills, and financial capital needed by the developing countries to increase their production capabilities and provide the basis for long-term diversification of their economies.

Most developing countries are members of the International Monetary Fund. They are represented by nine members on the Committee of Twenty, which is mapping out a reform of the international monetary system. This participation should help assure that the new rules will work effectively on a global basis and will give due weight to the needs of the developing countries.

For developing countries, exports not only provide most of their foreign exchange, but are also an important means of achieving economies of large scale production in many industries. In order to increase their opportunities for trade, the United States supports the general reduction of tariff barriers in industrial countries to exports of developing countries. The United States is also actively encouraging the full participation of these countries in the approaching trade negotiations. The agenda for the negotiations, including such items as the reduction of nontariff barriers and the imposition of safeguards, covers matters of even greater concern to these countries than tariff questions. But their influence on the outcome of the negotiations will also be greater if countries which are not currently members of the GATT are willing to accept the obligations of GATT membership. The commitment to this framework of rules and obligations would help to ensure developing countries against arbitrary action by others. An obligation to avoid highly complex and discretionary nontariff barriers could also improve the efficiency of their own planning efforts and facilitate trade with each other, which has been declining in relative importance for many years.

The efficient transfer of capital from developed to developing countries is another important objective of a well-functioning international economic system. Such transfers of capital are desirable because they make available to developing countries more resources for investment, as well as giving them access to new production and management techniques. In recent years, there has been a reduction in the relative importance of bilateral economic assistance and increased reliance on the multilateral development banks as channels of public aid. Loans by these institutions have almost doubled in the 5-year period from 1968 through 1972, and U.S. contributions have also increased substantially. At the same time, U.S. bilateral economic assistance has declined slightly. Private capital flows from developed to developing countries have also continued to expand at a rapid rate, nearly doubling during the 5-year period from 1967 through 1971, the last year for which data are available. The size of these private flows makes it increasingly desirable to create arrangements which assure developing countries that such investments contribute to their economic advancement and

assure developed countries that their investments will not be treated arbitrarily. Such arrangements should include internationally accepted standards and procedures for the settlement of disputes.

Market and Centrally Planned Economies

Trade and monetary relations between market economies and centrally planned economies have been carried on outside the framework of the multilateral trade and payments system, generally on the basis of bilateral trade agreements. These agreements may sometimes specify the quantities and prices of commodities to be exchanged. More often they are more open-ended, providing only a set of ground rules for trade contracts negotiated between individual state trading companies and private firms.

Trade between market and centrally planned economies can be advantageous for both sides, and with a relaxation of political tensions this trade can be expected to grow significantly. In the past the United States has engaged in less trade with the centrally planned economies than has western Europe. Recently, however, the United States has taken a number of steps to expand its trade with these countries; among such moves have been the signing of trade agreements with the Soviet Union and Poland and the elimination of the embargo on bilateral trade with the People's Republic of China.

Trade with the Soviet Union is likely to grow particularly fast. The Soviet Union has large quantities of raw materials and fuels, many of which are beginning to be in short supply in the United States. On the other hand, the Soviet Union has a large import requirement for food and for manufactured products that depend on advanced technology. The United States can supply both.

The particular characteristics of the centrally planned economies will require the development of special rules as trade between them and the market economies expands. In trade among market economies, bilateral settlement of claims has been abandoned in favor of a multilateral settlement system. Since few of the centrally planned economies are part of this multilateral payments system, special arrangements will have to be made to assure that settlements of net balances will be effected.

For trade among market economies, rules have also been developed to prevent excessive disruption of domestic production and trade with third countries by large and rapid shifts in trade patterns. As trade with the centrally planned economies grows, it may be necessary to develop similar rules to prevent sudden disruption not only of economic activity within individual market economies, but also of trade patterns among the market economies.

Finally, it is important to ensure that commer-

cial disputes are settled amicably and are not allowed to spread into the political sphere. In trade among market economies, contracts are usually made between individual firms, and whatever disputes arise are settled through the respective courts in a manner that is usually acceptable to both parties. In trade with centrally planned economies, the fact that one of the parties to any trade contracts is the state can create special problems with respect to the settlement of disputes.

In anticipation of some of the possible problems that a rapid expansion of trade could give rise to, the recent trade agreement between the United States and the Soviet Union included these provisions:⁶

1. The creation of a joint U.S.-U.S.S.R. Commercial Commission to resolve difficulties arising at the government level.

2. A procedure for guarding against market disruptions. Under it, after consultation, the U.S.S.R. will not ship products to the United States which the U.S. Government has advised will "cause, threaten, or contribute to disruption of its domestic market."

3. An arbitration agreement which encourages the settlement of commercial disputes by arbitration in a country other than the Soviet Union or the United States under the Arbitration Rules of the Economic Commission for Europe, a United Nations agency. The U.S.-Soviet trade agreement also provides for the reciprocal extension of credit facilities, nondiscriminatory tariff treatment of each other's imports, the establishment of commercial offices in the two countries, the availability of business facilities, and the settlement of the World War II lend-lease debt owed the United States by the U.S.S.R.

* * * * *

In advancing proposals for reform, the United States has kept in mind the necessity of building on commonly accepted principles. Foremost among these principles is the belief that an open exchange of goods, services, and capital based on market relationships can benefit all countries. Moreover, if all countries are to remain committed to freer trade and investment, the international rules must give everyone a chance to share in the benefits. Recent experience has shown the need for certain reforms in current rules and practices. The rules should more explicitly define international standards of

⁶ For background and texts of the U.S.-U.S.S.R. Agreement Regarding Trade and the U.S.-U.S.S.R. Agreement Regarding Settlement of Lend Lease, Reciprocal Aid and Claims signed at Washington on Oct. 18, 1972, see BULLETIN of Nov. 20, 1972, p. 581.

conduct and yet provide greater flexibility in the means of discharging these international responsibilities. Also, the various aspects of the international economic system dealing with monetary, trade and investment questions should be better related to each other. Lastly, any stable and well-functioning international economic system must rest upon sound domestic policies to promote domestic growth and price stability in the major countries.

THE UNITED NATIONS

U.S. Questions Holding Meeting of Security Council in Panama

Following is a statement made in the U.N. Security Council by U.S. Representative George Bush on January 16 and an excerpt from a statement made by U.S. Representative Christopher H. Phillips on January 26, together with the text of a resolution adopted by the Council on January 26.

AMBASSADOR BUSH, JANUARY 16

USUN press release 2 dated January 16

Last year when we discussed holding the Council meetings in Africa, my delegation enumerated certain factors which should be given the most serious consideration by the members of the Council when discussing the question of holding occasional meetings away from Headquarters. Most Council members would agree, I think, that when one examines those factors closely, the invitation we are now discussing is not analogous to that of last year, which does not constitute a precedent.

First, as we all know, the Security Council is designed to convene at any time on matters of urgent concern to the maintenance of international peace and security. When we met in Addis Ababa last year we considered items of current interest on the Security Council agenda, items, in fact, on which the

Council spends a large proportion of its time. These were items of some degree of urgency. Mr. President, my delegation is not aware of any comparable items concerning the Latin American region of which the Council is actively seized, any that would justify a meeting away from Headquarters, which the charter provides may be held in such places as in the Council's judgment "will best facilitate its work." There certainly are no items requiring urgent consideration, since we are invited for two months hence.

Mr. President, what, then, is the purpose of this proposed meeting in Panama? Normally in our procedures one or more members of the U.N.—or the Secretary General—requests a meeting of the Council to discuss an urgent and current problem, dispute, or situation. We do not decide to hold a meeting and then decide what we are going to talk about. That is putting the cart before the horse.

Since there are no Latin American issues currently under Council consideration, the holding of this meeting is likely to appear capricious and based more on the particular interests and special considerations of an individual member than on concern for the work of the Council. The agenda will necessarily be vague, general, and contrived. It was not intended in the charter that the Security Council be turned into a smaller version of the General Assembly. Moreover, it is not likely to prove feasible to confine Council discussions to generalities. Special issues are almost certain to be raised, and the net effect would be the artificial stimulation of debate on subjects not requiring Security Council consideration at this time. Neither an exchange on generalities nor an unnecessary debate on specifics would rebound to the prestige and stature of the Council or indeed of the United Nations.

The invitation to this Council from the distinguished Minister of Foreign Affairs of Panama expressed the desire that a meeting in Panama make "a positive contribution to the search for solutions to the problems of Latin America." It is essential for such a

"positive contribution," and for the proper functioning of the Council, that a meeting not be conceived as a means for bringing pressure on bilateral issues not currently before the Council. If there are bilateral problems, the best way and the traditional way to proceed would be through bilateral negotiations and thereafter, should the need arise, through the existing regional system, utilizing the instrumentalities of that system as provided under chapter VIII and other relevant articles of the charter.

Ambassador Boyd [Aquilino E. Boyd, Representative of Panama to the United Nations] has raised such an issue in mentioning the Panama Canal, the status of which is under active bilateral negotiation. With due reference to the history of the area and the issue, we of course do not accept the contention that the Canal Zone is a "colonialist enclave."

Members of the Council will recall that concern has been expressed earlier about holding meetings where public opinion could affect the work of the Council. In this case, it is already evident that the prospect of this meeting is stimulating a heated propaganda campaign in Panama which will not be conducive to the kind of atmosphere needed for Security Council meetings or be helpful for the future course of bilateral negotiations. With a plethora of serious bilateral problems around the world, none of us would want to encourage interested parties to believe they can invite the Security Council to meet on their territory not for the benefit of the United Nations but for their own purposes.

Mr. President, the meeting in Addis Ababa came about as a result of an invitation from the Organization of African Unity which was solemnly concurred in by the General Assembly in its Resolution 2863 (XXVI) inviting the Security Council to consider holding a meeting in Africa. In this case, however, we have an invitation from a single country, a member of the Security Council. My delegation wonders whether any member of the Security Council, or indeed any member of the United Nations, should be

allowed to expect the Security Council to meet in its capital by simply inviting it to do so, perhaps because of the fortuitous circumstance that that member happens to hold the Presidency of the Council during a particular month. Anything which leads to the possibility of further meetings of this kind would in our opinion erode support for the concept of holding occasional meetings away from Headquarters, a concept that we ourselves endorsed. In other words, while conceivably a good case might be made in the future for a meeting away from Headquarters, a meeting in Panama under the circumstances I have outlined would tend to discredit the very idea of such meetings.

Finally, we should not forget that practical questions arise in meetings away from Headquarters, such questions as finances and availability of communications. On finances, fortunately we have had one recent example, in Addis Ababa, on which to base our consideration of the costs of such a meeting. In this connection, I recall the words of our esteemed colleague Ambassador Baroody [Jamil M. Baroody, Representative of Saudi Arabia to the United Nations] during the debate last year regarding a meeting in Africa. He said—and I quote:

... the session of the Council outside New York, whether in Africa or elsewhere, should not constitute a precedent, unless the country or group of countries that demand another such session will foot the bill *in toto*.

This would be in accordance with standard U.N. practice that the host country pay the difference in the costs of holding a meeting or conference in that country rather than at a Headquarters site.

Nor should the question of communications be minimized. Last year in discussing alternate sites for a meeting in Africa, the Committee on Council Meetings away from Headquarters drew attention to "the importance of immediate access to the Council by all Members of the United Nations at all times, the necessity of having rapid communications readily available at all times, the possibility of the occurrence of unforeseen

emergencies, which might oblige the Council to return urgently to Headquarters.”¹ Since 11 of the 15 members of this Council do not maintain diplomatic missions in Panama, we must consider whether quickly improvised communications facilities would suffice to meet unexpected crises.

Mr. President, the members of the Security Council would be well advised to consider seriously the reservations I have enumerated and the consequences of the example we could set for the future if we were to accept this invitation. The United States values deeply its close and cordial relations with Panama. The considerations we have enunciated here are not directed toward that friendly government. Rather, our aim is to prevent further weakening of the United Nations itself at a time when we should concentrate our efforts to strengthening it. This should be our goal, and I would ask that all the members sitting around this table keep it firmly in mind as we discuss this question.

AMBASSADOR PHILLIPS, JANUARY 26

USUN press release 5 dated January 26

Mr. President, the United States has accepted the report, recommendations, and draft resolution contained in doc. S/10868 in a sincere effort to contribute to an effective and harmonious meeting of this Council in Panama. But I would be less than candid if I did not say that we continue to have reservations about the appropriateness of this meeting.

Ambassador Bush in his statement to the Council January 16 enumerated the serious U.S. reservations about this meeting or indeed any meeting of the Council away from Headquarters which fails to meet the criteria for serious, substantial, and constructive work in accordance with the responsibilities

of the Council under the charter, especially the provision that such meetings should “facilitate its work.” Nothing which has happened since then leads us to believe that the proposed meetings fully meet these criteria.

As Ambassador Bush predicted in that statement, we have a proposed agenda item so general and vague that it opens the door to the kind of general debate which is the function of the General Assembly, not the Security Council. It is doubtful that this kind of debate will enhance the prestige of this body.

There has also been no development which leads us to believe that the Council will be able to avoid discussion of bilateral issues which are not before the Council, many of which could conceivably be raised within such a generally worded agenda item. Ambassador Boyd’s comments this morning clearly underscore this fact.

My delegation has participated actively in the deliberations of the Committee on Council Meetings away from Headquarters. In particular we have been persistent in our efforts to assure that the meeting in Panama will proceed on an efficient and economical basis and that the present decision to meet away from Headquarters, despite our strong reservations, be carried out with a minimum of derogation from the ability of this institution to fulfill its charter responsibilities.

I know that my colleagues in this chamber understand, as I am sure my distinguished colleague from Panama does, that the U.S. position on these questions of finance and sound administration reflects our genuine concern for the effectiveness of this organization and has had no political motivation. Our views have been consistently expressed in the committee meetings last year as well as this.

As we now prepare for the actual meeting in Panama and the substantive discussions we shall have there, I would like to emphasize the view of my delegation that we should bear in mind the duties of the Security Council, the organ of the U.N. upon which

¹ U.N. doc. S/10514.

the charter confers primary responsibility for the maintenance of international peace and security. Let me assure my colleagues that, whatever our reservations, the U.S. delegation will go to Panama with the positive aim of making a useful and constructive contribution, an aim which I am sure is shared by everyone around this table.

TEXT OF RESOLUTION²

The Security Council,

Having considered the letter dated 9 January 1973 from the Minister for Foreign Affairs of Panama addressed to the President of the Security Council (S/10858) by which the Security Council was informed, on behalf of the Government of the Republic of Panama, that the latter had decided, on the basis of Article 28, paragraph 3, of the Charter of the United Nations to propose that the Security Council should meet at Panama City, from 15 to 21 March 1973,

Taking note of the unanimous support of the Latin American Group for the proposal of the Government of Panama (S/10859),

Recalling the decisions taken at its 1685th meeting on 16 January 1973 and, in particular, the decision to accept, in principle, the proposal of Panama to meet in Panama City between 15 and 21 March 1973,

Taking note, with gratitude, of the offer by the Government of Panama, in acting as host to the Security Council, to place at the Council's disposal whatever technical facilities and services might be necessary to ensure the success of the Council's meetings to be held in Panama City and to contribute appropriately to the costs arising therefrom,

Having discussed the second report of the Security Council Committee on Council Meetings away from Headquarters (S/10868),

Taking note, in particular, of the information on preliminary cost estimates as contained in the annex to the Committee's report,

Bearing in mind the recommendations submitted by the Committee in Chapter VII of its report,

1. *Decides* to hold meetings in Panama City, beginning on Thursday 15 March, and ending on Wednesday 21 March 1973, and that the agenda for these meetings shall be the "Consideration of measures for the maintenance and strengthening

of international peace and security in Latin America in conformity with the provisions and principles of the Charter";

2. *Expresses* its gratitude to the Government of Panama for its stated readiness to act as host to the Security Council meetings and to provide certain facilities without cost to the United Nations;

3. *Requests* the Secretary-General to enter into immediate negotiations with the Government of Panama with a view to concluding an appropriate conference agreement in accordance with the Committee's relevant recommendations.

TREATY INFORMATION

United States and Iran Sign Air Transport Agreement

The Department of State announced on February 1 (press release 20) that the United States and Iran had signed that day at Tehran a new Air Transport Agreement between the two governments. Ambassador Joseph S. Farland signed the agreement for the United States, and Abbas Ali Khalatbari, Iranian Foreign Minister, signed for Iran. Simultaneously, the two governments exchanged diplomatic notes incorporating certain changes in the agreement scheduled to take effect in two years. (For texts of the agreement and the U.S. note, see press release 20.)

The new Air Transport Agreement should serve to establish bilateral civil aviation relations between the two countries on a more regularized and mutually beneficial basis. The previous Air Transport Agreement between the United States and Iran was terminated by Iran in the summer of 1971, and there has been no civil aviation agreement between the two countries since that time.

Routes for the airlines of both countries are defined in the new agreement. U.S. air-

² U.N. doc. S RES/325 (1973); adopted by the Council on Jan. 26 without objection.

lines will be able to operate via a number of intermediate points to Tehran (and starting in 1975, two other points in Iran) and beyond. Iran is granted a route via several intermediate points to New York or Detroit (with rights at Los Angeles being added in 1975). Under the new agreement, Pan American World Airways will continue its longstanding service to the Iranian capital as well as its stops there on its round-the-world operations. Iran Air obtains for the first time rights to operate scheduled services to the United States.

Current Actions

MULTILATERAL

Antarctica

Recommendations relating to the furtherance of the principles and objectives of the Antarctic treaty. Adopted at Wellington November 10, 1972, at the Seventh Antarctic Treaty Consultative Meeting.¹
Notification of approval: United States, February 6, 1973, for recommendations VII-1 through VII-4 and VII-6 through VII-9; VII-5 accepted as an interim guideline.

Atomic Energy

Amendment of article VI of the statute of the International Atomic Energy Agency of October 26, 1956, as amended (TIAS 3873, 5284). Done at Vienna September 28, 1970.¹
Acceptance deposited: Sweden, February 8, 1973.

Aviation

Convention on offenses and certain other acts committed on board aircraft. Done at Tokyo September 14, 1963. Entered into force December 4, 1969. TIAS 6768.

Accession deposited: Malawi, December 28, 1972.

Convention for the suppression of unlawful seizure of aircraft. Done at The Hague December 16, 1970. Entered into force October 14, 1971. TIAS 7192.

Ratification deposited: Portugal, November 27, 1972.

Protocol to amend the convention for the unification of certain rules relating to international carriage by air signed at Warsaw on October 12, 1929 (49 Stat. 3000), as amended by the protocol

done at The Hague on September 28, 1955. Done at Guatemala City March 8, 1971.¹

Signature: Luxembourg, December 4, 1972.

Diplomatic Relations

Vienna convention on diplomatic relations. Done at Vienna April 18, 1961. Entered into force April 24, 1964; for the United States December 13, 1972. TIAS 7502.

Accession deposited: Guyana, December 28, 1972.

Fisheries

International convention for the conservation of Atlantic tunas. Done at Rio de Janeiro May 14, 1966. Entered into force March 21, 1969. TIAS 6767.

Adherence deposited: Ivory Coast, December 6, 1972.

Protocol to the international convention for the Northwest Atlantic fisheries (TIAS 2089), relating to amendments to the convention. Done at Washington October 6, 1970.¹

Ratification deposited: Portugal, February 5, 1973.

Narcotic Drugs

Protocol amending the single convention on narcotic drugs, 1961. Done at Geneva March 25, 1972.¹

Signatures: Australia, November 22, 1972; Japan, December 15, 1972; Republic of Korea, December 29, 1972; Morocco, December 28, 1972; New Zealand, December 15, 1972; Pakistan, December 29, 1972; Tunisia, December 22, 1972.
Ratifications deposited: Australia, November 22, 1972; Sweden, December 5, 1972.

Patents

Strasbourg agreement concerning the international patent classification. Done at Strasbourg March 24, 1971.¹

Ratification deposited: Switzerland, December 20, 1972.

Satellite Communications System

Agreement relating to the International Telecommunications Satellite Organization (Intelsat), with annexes. Done at Washington August 20, 1971. Entered into force February 12, 1973. TIAS 7532.
Accession deposited: Madagascar, February 9, 1973.

Ratification deposited: Cameroon, February 7, 1973.

Operating agreement relating to the International Telecommunications Satellite Organization (Intelsat), with annex. Done at Washington August 20, 1971. Entered into force February 12, 1973. TIAS 7532.

Signatures: Société des Télécommunications Internationales de la République Malgache (STI-MAD) for Madagascar, February 9, 1973; Sri Lanka (Ceylon), February 7, 1973.

Seabed Disarmament

Treaty on the prohibition of the emplacement of nuclear weapons and other weapons of mass

¹ Not in force.

destruction on the seabed and the ocean floor and in the subsoil thereof. Done at Washington, London, and Moscow February 11, 1971. Entered into force May 18, 1972. TIAS 7337.

Ratification deposited: Nicaragua, February 7, 1973.

Slavery

Supplementary convention on the abolition of slavery, the slave trade and institutions and practices similar to slavery. Done at Geneva September 7, 1956. Entered into force April 30, 1957; for the United States December 6, 1967. TIAS 6418.

Ratification deposited: Greece, December 13, 1972.

Telecommunications

Partial revision of the 1959 radio regulations, as amended (TIAS 4893, 5603, 6332, 6590), on space telecommunications, with annexes. Done at Geneva July 17, 1971. Entered into force January 1, 1973. TIAS 7435.

Notifications of approval: Argentina, November 20, 1972; Japan, December 5, 1972; Korea, November 9, 1972.

Treaties

Vienna convention on the law of treaties, with annex. Done at Vienna May 23, 1969.¹

Ratification deposited: Philippines, November 15, 1972.

BILATERAL

Greece

Agreement relating to the deposit by Greece of 10 percent of the value of grant military assistance and excess defense articles furnished by the United States. Effected by exchange of notes at Athens January 11 and 12, 1973. Entered into force January 12, 1973; effective February 7, 1972.

International Committee of the Red Cross

Grant agreement to assist in financing emergency relief and assistance to refugees and displaced persons in the Khmer Republic. Signed at Phnom Penh December 1, 1972. Entered into force December 1, 1972.

Nicaragua

Grant agreement relating to the provision of funds to Nicaragua for emergency shelter for earthquake victims, with annexes. Signed at Managua January 15, 1973. Entered into force January 15, 1973.

Poland

Agreement deferring purchase by the United States, scheduled for January 2, 1973, of dollar exchange for zlotys accrued under certain agricultural com-

modities agreements. Effected by exchange of notes at Washington December 29, 1972. Entered into force December 29, 1972.

Agreement deferring purchase by the United States of dollar exchange for zlotys accrued under certain agricultural commodities agreements. Effected by exchange of notes at Washington February 5, 1973. Entered into force February 5, 1973.

DEPARTMENT AND FOREIGN SERVICE

Confirmations

The Senate on February 8 confirmed the following nominations:

Richard T. Davies to be Ambassador to Poland.
Richard Helms to be Ambassador to Iran.

Melvin L. Manfull to be Ambassador to Liberia.
Daniel P. Moynihan to be Ambassador to India.

Cleo A. Noel, Jr., to be Ambassador to the Democratic Republic of the Sudan.

Consulate in Salzburg, Austria, To Be Reopened

Press release 25 dated February 5

The American consulate in Salzburg will be reopened this summer. Its area of responsibility will include the Lands of Salzburg, Tirol, and Vorarlberg.

The new consulate in Salzburg will perform all normal consular duties with the exception of visa issuance, which will continue to be performed by the consular section of the American Embassy in Vienna. The Salzburg consulate will also be responsible for promoting U.S. commercial interests and cultural activities. The consular post is being reopened in view of the substantial increase in U.S. tourism to and trade with Austria and in recognition of the importance of the western portion of Austria in terms of industrial and trade development.

American Ambassador John P. Humes will officiate at the opening ceremonies, now planned for early June.

¹ Not in force.

PUBLICATIONS

1948 "Foreign Relations" Volume on Western Hemisphere Released

Press release 6 dated January 16 (for release January 23)

The Department of State released on January 23 volume IX in the series "Foreign Relations of the United States" for the year 1948, on *The Western Hemisphere*.

This volume of 801 pages includes previously unpublished documentation on U.S. participation in the Ninth International Conference of American States, held at Bogotá, Colombia, and in other inter-American activities; questions of hemisphere defense, including policies regarding strategic materials; cooperative programs for health and sanitation, food production, and mineral resources; and other regional and multilateral subjects. There are also separate sections on U.S. relations with Canada and individual countries of Central and South America and the Caribbean. Of particular interest is the documentation on relations with the regime of President Juan Perón in Argentina; on some difficult decisions concerning diplomatic relations with de facto governments in Costa Rica, El Salvador, Nicaragua, Paraguay, Peru, and Venezuela; and on the proposed elimination of trade barriers between the United States and Canada.

This is the first to be published of nine volumes on U.S. diplomacy in 1948. The volumes are prepared by the Historical Office, Bureau of Public Affairs. Copies of volume IX (Department of State Publication 8626; GPO catalog no. S 1.1:1948/v.9) may be obtained from the U.S. Government Bookstore, Department of State, Washington, D.C. 20520, for \$6.75 each.

Recent Releases

For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. Address requests direct to the Superintendent of Documents. A 25-percent discount is made on orders for 100 or more copies of any one publication mailed to the same address. Remittances, payable to the Superintendent of Documents, must accompany orders.

The Search for New World Monetary Arrangements. This pamphlet in the Current Foreign Policy series presents the text of statements by President Nixon on September 25, 1972, and by Secretary of the Treasury George P. Shultz on September 26, 1972, at the annual meeting of the Boards of Governors of the International Monetary Fund, the International Bank for Reconstruction and Development, the International Finance Corporation, and the International Development Association. Pub. 8684. General Foreign Policy Series 270. 8 pp. 15¢.

Mutual Defense Assistance. Agreement with Luxembourg amending annex B to the agreement of January 27, 1950. TIAS 7412. 3 pp. 10¢.

Trade—Meat Imports. Agreement with Nicaragua. TIAS 7413. 6 pp. 10¢.

Military Assistance—Deposits Under Foreign Assistance Act of 1971. Agreement with Argentina. TIAS 7414. 4 pp. 10¢.

Education—Educational Commission. Agreement with Korea amending the agreement of June 18, 1963, as amended. TIAS 7415. 3 pp. 10¢.

Military Assistance—Deposits Under Foreign Assistance Act of 1971. Agreement with Zaïre. TIAS 7416. 3 pp. 10¢.

Grains Agreement With the Union of Soviet Socialist Republics. TIAS 7423. 10 pp. 10¢.

Agricultural Commodities. Agreement with Tunisia amending the agreement of November 17, 1971. TIAS 7427. 3 pp. 10¢.

Trade—Meat Imports. Agreement with the Dominican Republic. TIAS 7429. 6 pp. 10¢.

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Press releases may be obtained from the Office of Press Relations, Department of State, Washington, D.C. 20520.

Releases issued prior to February 5 which appear in this issue of the BULLETIN are Nos. 6 of January 11 and 20 of February 1.

No.	Date	Subject
25	2/5	Reopening of consulate at Salzburg, Austria.
†26	2/7	Meyer: Inter-American Economic and Social Council, Bogotá, Feb. 1.
27	2/8	Rogers: House Committee on Foreign Affairs.
*28	2/8	Volpe sworn in as Ambassador to Italy (biographic data).
*29	2/9	International Wildlife Conference, Feb. 12-Mar. 3.
†30	2/9	German-American cultural talks.
†31	2/9	Moynihan sworn in as Ambassador to India (biographic data).

* Not printed.

† Held for a later issue of the BULLETIN.

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THE DEPARTMENT OF STATE BULLETIN

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The Department of State BULLETIN, a weekly publication issued by the Office of Media Services, Bureau of Public Affairs, provides the public and interested agencies of the government with information on developments in the field of U.S. foreign relations and on the work of the Department and the Foreign Service.

The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements, addresses, and news conferences of the President and the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and on treaties of general international interest.

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Secretary Rogers' News Conference of February 15

Press release 37 dated February 15

Secretary Rogers: Good morning, ladies and gentlemen. I would like to start by making a couple of announcements:

I am very pleased to announce that the United States and Cuba have reached agreement on hijacking. At 11:30 today I exchanged diplomatic notes containing the text of this agreement with Mr. Zantovsky, the Chargé d'Affaires of the Embassy of Czechoslovakia, which represents Cuban interests in this country.¹ This exchange, and a similar exchange of notes which took place simultaneously in Havana between the Ambassador of Switzerland, representing the United States, and the Cuban Minister of Foreign Affairs, constitute the agreement of both governments to the terms of a Memorandum of Understanding on Hijacking of Aircraft and Vessels and Other Offenses.

Under the terms of this agreement, each government undertakes to prosecute hijackers in its own courts or to return them to the other country for prosecution. Thus, there will be no safe haven for hijackers in Cuba or the United States. This agreement applies to air piracy, to similar serious offenses involving vessels and other serious crimes. Since all of these crimes are already punishable under U.S. law, no change in the U.S. law will be necessary to carry out this agreement.

I also want to emphasize that nothing in this agreement is inconsistent with the traditional and strongly felt American view of the right to emigrate freely, nor does it constitute a change in our overall policy toward Cuba.

We believe that this agreement represents

a significant step forward in our worldwide efforts to put an end to the problem of hijacking.

I want to pay particular tribute to the Swiss Government and to its Ambassador in Havana [Silvio Masnata] for their role in negotiating the agreement in our behalf.

The other announcement I have to make is as follows:

I have this morning conveyed formal invitation to the International Conference on Viet-Nam, which will be convened in Paris on February 26. Identical invitations are being extended concurrently in Hanoi, by the Government of the Democratic Republic of Viet-Nam. As you know, the parties to be invited to the international conference were stipulated in article 19 of the peace agreement.

It is our hope and conviction that the conference, by fulfilling the purposes set forth for it in the agreement, will contribute measurably toward assuring durable peace and stability in Indochina.

Ladies and gentlemen, I'll take questions, and I thought maybe in terms—in thinking about orderly procedure it might be best if we started out with the agreement we just signed with Cuba.

Q. Well, I would rather start on something else, but I'll ask you about the agreement.

A. Oh, I'll—go ahead, you start the way you want to, Mr. Hensley [Stewart Hensley, United Press International].

Q. OK, fine, I'm sure there will be plenty on Cuba.

What I would like to know before we get into other things is, with regard to the Middle East there have been various statements and indications and hints that there was

¹ See p. 260.

some new American initiative after the election. I'm wondering whether you are planning a new American initiative and if you can give us any idea of how you intend to approach it and whether there has been any discussion of this subject with the Russians in recent days.

A. I want to first talk about definitions.

When you talk about "a new American initiative" it tends to suggest that the United States is drafting or preparing some kind of a plan which we would then suggest to the parties concerned to see if they would accept it. Or it might carry the implication that we were attempting to work out something that we would seek to impose on the parties.

That is not what we have in mind at all. But we are very interested in doing everything we can in a diplomatic way to attempt to get the parties to negotiate, and we have increased our activities in this regard recently. We intend to do even more in the weeks ahead, because I am convinced that if we could get the parties in a negotiating posture—and I'm not speaking now about direct or indirect talks, I'm talking about exchanging ideas actively and how to solve this problem—that progress could be made.

And as far as we are concerned, it's the only alternative; there seems to be no other possibility that makes any sense. Certainly, the military possibility doesn't make any sense; the idea of somehow renewing hostilities, or a war of attrition, or any of these things, makes no sense at all.

Also, it's difficult for us to envisage a situation where complete settlement could be worked out in the first stages.

Therefore, we think some progress has to be made—and some discernible progress has to be made—on the ground, and we think that the way this could be done is in the negotiating process.

So we will be very active in this regard. We have been active in this regard and we are going to continue to be. Now, whether this will take the form of some public discussion about it or not, I'm not sure. I'm in-

clined to think we would be more apt to have private discussions with all concerned to see if some formula could be devised to get that process started.

Now insofar as the last part of your question is concerned, Mr. Hensley, we have talked from time to time with the Soviet Union about this matter. I have talked with the Ambassador here about it, we have talked, of course, to the Foreign Minister, and we have done it in other channels.

As you can see, the world has probably never discussed the problems that face it the way that it has been recently—and this is the single area where no discussions are taking place. There are the two Koreas, India and Pakistan, the parties in Indochina, and now the United States and Cuba. Our relations with the People's Republic of China and the Soviet Union have improved. So the only part of the world where the parties themselves are not actively exchanging ideas about possible solutions of the problem is in the Middle East—and we hope that that will change as time goes on.

Q. Mr. Secretary, to follow that up, the thrust of the American ideas in this part of the world involved an interim settlement on the Suez Canal. In view of your recent discussions with King Hussein of Jordan and certain public statements he has made, would you consider going to the other side of this problem and having a first step on the Jordan-Israeli side rather than on the Egyptian-Israeli side? Do you think that's a viable idea?

A. Well, it's certainly a possibility, and it is one of the things we have talked about. Whether it is feasible from the standpoint of the parties themselves or not we're not sure. There certainly is no objection to it from our standpoint. And the King has presented publicly a very flexible position. But whether it's possible to think of a partial solution between Jordan and Israel before any progress is made between Israel and Egypt we're just not sure. We're inclined to think that it would be easier if some progress could be made in the relations between Egypt and

Israel first, or at least in parallel with progress between Israel and Jordan.

Let me say, too, Miss Berger [Marilyn Berger, Washington Post], that when we refer to an interim settlement—as you did in your question—it conveys, I think, an unfortunate connotation which is that somehow that settles something. And of course it doesn't. What it means is that progress would be made. And we speak of it in terms of an interim step leading toward a final solution.

One of the things that the Arabs take exception to and are concerned about in terms of an initial step is that it would be considered a settlement and therefore there would be no further progress. So we have attempted to emphasize the importance of the concept that whatever is done initially is merely a step toward a final solution, that it's in the nature of progress.

You see, nothing has happened in fact since 1967 except conversation—mostly rhetorical exchanges. But nothing has changed in fact on the ground. And we believe that if some momentum could be developed, if there were a partial withdrawal and a commitment to full implementation of Security Council Resolution 242, that that would be the most sensible way to begin to work out the problems that are so difficult and complex.²

And one of the reasons that we are encouraged about this particular possibility is because it was President Sadat's own idea, which was subsequently supported, at least in broad aspects, by Prime Minister Meir.

Mr. Sherman [George Sherman, Washington Star-News].

Q. Mr. Secretary, once again on the Middle East, you and the President have had talks with Hussein; Mrs. Meir is coming. Do you plan, or have you had, top-level contacts with the Egyptians on any change in their attitude? It seems to me that they are the ones that in recent months have been taking a very hard, intransigent position also on this.

A. Well, it's true that Israel has expressed

a willingness to engage in indirect negotiations without any preconditions. And we recognize that Egypt so far has said that it was not interested in any such negotiations. Yes, the answer to your question is yes, we have in many ways attempted to communicate our views and our thoughts to Egypt, and we still have hope that the possibility is not excluded.

But we don't insist on this particular step as necessarily the best one. We can't think of a better one. But if there is a better way to make some progress between Egypt and Israel, what is it? We are not wedded to this particular concept, but we think it's the best practical one that we can think of, for the reasons I mentioned.

Hijacking Agreement With Cuba

Q. On the Cuban agreement, do you regard the agreement in any way as providing a basis for an improvement of relations with Cuba? And I wanted to ask, if I could, a second question. And that is, don't you believe that this will act as a psychological deterrent to any Cubans who might be thinking of escaping the island and coming to this country—in other words, political refugees?

A. As to the first part of your question, this does not foreshadow a change of policies as far as the United States is concerned toward Cuba. It is an attempt to deal with a very difficult problem in a practical way. And I think it does do that. And the Cuban Government, in these discussions that I have conducted indirectly through the Swiss now for three months, I think has been constructive and very business-like. And we were able to reach this agreement, which I think is a good one for all concerned, without any major difficulties.

On the second point, what this agreement does is to make it clear that hijackers of aircraft or vessels cannot escape the laws of our country—and Cuba now has said the same thing: cannot escape the laws of Cuba—by claiming the right of asylum. This does not affect the right of asylum. The right of asylum continues to be a very sacred right and one that we will continue to honor.

What it does mean is that you cannot com-

² For text of the resolution, see BULLETIN of Dec. 18, 1967, p. 843.

mit major crimes on the way to asylum. You can't endanger the lives of many other people in order to reach the place of asylum. And if you do that, then you have to bear the consequences of the laws. This agreement that we have made with Cuba does not require any additional laws on the part of the United States. It does mean that we will enforce the laws vigorously, and we will expect Cuba to do the same thing.

Q. Sir, what role did the airline pilots have in this negotiation or this agreement, and how valuable was that role to you?

A. Well, they did not have any role in it, and we did not want them to have a role, and I don't think that they felt they should play a role. This was a negotiation between Cuba and the United States conducted through the Swiss.

Insofar as our attitude is concerned, it made a great difference because the airline pilots made it clear that they were fed up with the situation and were going to take drastic action. And we were too. So we have consulted with them, and I think they are very pleased at the outcome.

As you know, there have been in the area of a hundred hijackings to Cuba in the last few years. And they endanger the lives of not only the passengers but the crew. So we have worked very closely with the airline pilots in efforts to solve the problem. But I wouldn't want to convey the thought that they have been involved in the negotiations as such.

International Conference on Viet-Nam

Q. Mr. Secretary, what are the administration's views of the scope and the duration of the International Conference on Viet-Nam? Will it include dealing with the Laotian and Cambodian problems, which are also dealt with in the Paris accord?

A. I have handed out, or will shortly hand out, the invitation that was extended to the governments this morning,³ which sets forth the major topics which will be discussed, al-

though we have not agreed on any agenda. I don't want to go beyond that as to agenda items.

On the question of the length of the conference, we would envisage a conference that would be of fairly short duration, probably four or five days. And then the decision would have to be made what would be the next step, whether the conference would continue as a continuing body, or would they have some representative that might continue to act for them, and so forth. So those problems will have to await the conference.

Q. Just to follow that up a moment, will the scope of the conference depend in some degree on where the Laotian-Cambodian situation stands at the time it convenes?

A. No, I don't think the scope of it will be so determined. I think obviously that what happens in Laos will be a matter of importance at the conference itself.

Q. Mr. Secretary, two days ago a spokesman who cannot be identified linked the solution of trade and monetary problems with troops, American troops in Europe. Last night, talking informally, one of the highest ranking officials of the State Department firmly knocked down this linkage. Is there one?

A. There seems to be a conflict among anonymous reporters.

Q. Anonymous officials.

Q. Faceless.

A. Gray and faceless. [Laughter.]

Well, there is no linkage between the two, certainly in any formal sense, and certainly insofar as any discussions that we are going to have with our European allies.

On the other hand, it is quite apparent that the health of our economy and the strength of our situation here at home does relate to congressional attitudes about continuing our presence in Europe. So to that extent it is well known that there is opposition in Congress, and our situation at home is going to affect the views of Congress.

But certainly insofar as the Government

³ See p. 262.

of the United States is concerned, we are not linking the two. We don't think they should be, because monetary matters and trade matters are very important in a worldwide sense, not only in terms of Europe.

Postwar Reconstruction in Indochina

Q. Mr. Secretary, I would like to get back to Viet-Nam and the conference. You didn't mention whether aid postwar is going to be on the agenda. So I would like to ask, then, as far as the domestic U.S. situation is concerned, what do you think would be the effect if Congress refused to vote postwar aid to North Viet-Nam?

A. Well, on the question of whether reconstruction, rehabilitation, will be discussed or not at the conference, it is true that we have not agreed on an agenda item. But it also is true that the agreement refers to this matter. And I would expect that the conference will consider it. I think it is one of the obvious matters that should be considered in any postwar consideration of Indochina.

What do I think would happen if Congress refused to cooperate in the reconstruction effort? I don't think it would be appropriate to speculate on that. I realize the difficulty that we are going to face in dealing with Congress on this issue. And it is certainly an understandable political argument to make that why should we help other nations, particularly one with which we have been at war, when we are not able to do all of the things that we would like to do at home. But of course that rationale has applied ever since we have had foreign assistance programs. We have always had problems at home that have required more money, more attention. But we have felt that as a responsible government, in a sense the largest and most successful government in the world, that we had certain obligations to comply with, to fulfill.

Now, in this case we fought a long, difficult, bitter war that in many ways had divisive effects in our own country. We hope that as a result of this peace agreement that we can bring peace to Indochina. In order to

do that, we think it is important to attempt to reconstruct and rehabilitate that area, not just North Viet-Nam but the whole area. And we would hope that the international community could understand the importance of this.

In view of the tremendous investment in resources and lives that we have made since 1965—and before, for that matter—we think that the small investment that Congress will be called upon to make to help reconstruct and rehabilitate and provide cement for the agreement, the continuation of the cease-fire, and eventual settlement by peaceful means in Viet-Nam, is a very good investment. As President Nixon has said, we think it is an investment in peace.

So we will have a problem with Congress. And we will have to make it clear to Congress that this makes sense. We will have to consult with them and cooperate with them and try to involve their interest in this subject. It is not going to be easy. We recognize that. But we don't think it is going to fail. We think that as in the past, Congress, when it finally finds out all the facts and gives full consideration to the problems and the implications of failing to help—I think Congress will react responsibly. They did after World War II. They have done it in many instances, and I think they will again.

Q. Mr. Secretary, I would like to follow up your answer to Mr. Hensley in the first question. As you point out, we are well and truly into the era of negotiation and the prospect of more negotiations coming to the fore. In anticipation of this news conference, I looked back at your first news conference, in which you said in your opening statement: "From now on I intend to have a press conference on a fairly regular basis every two or three weeks." Your last news conference, I would point out, in this room was in August. Now that we are coming into the era of negotiations, and realizing the delicacy that you are facing, nevertheless could you state for us now what your future policy is going to be on news conferences, and can you offer the prospect of more frequent appearances?

A. Yes, I intend to have more press conferences. And I want you to notice I have had a press conference every three weeks in this second administration. [Laughter.]

Q. *Mr. Secretary, I wonder if I could ask you a two-part question. One, when does the Cuban agreement become effective? And secondly, returning to the Middle East, presumably this will be a subject for discussion in any eventual meeting between President Nixon and Chairman Brezhnev [Leonid I. Brezhnev, General Secretary of the Soviet Communist Party], and in that regard, have you got any indications when that visit might take place?*

A. No. What was the first part of your question?

Q. *When does the Cuban agreement become effective?*

A. At once.

Q. *Mr. Secretary, there has been a rising amount of speculation that the Southeast Asia Treaty Organization will have to be revised to meet new conditions. Can you give us your thinking about that, please?*

A. Well, our present thinking is that the Southeast Asia Treaty Organization is a worthwhile organization, and we intend to continue as a member of that alliance. We do recognize that as conditions change in the area we will have to consider whether changes should be made in the structure of that organization. As you know, Australia and New Zealand have made proposals to this effect, and I have had discussions with both of their Ambassadors on it. I think we will have to rethink some of the programs and to reconsider whether some of them should be continued in their present form. Also I think it would be useful probably to have somewhat less visibility at the SEATO meetings, because they take a good deal of time, a lot of travel and so forth. So we have suggested on our part that possibly we have the meetings at the United Nations General Assembly when the Foreign Ministers are there anyway. But I do think it is important not to abandon the alliances that have made

the results that we have achieved possible. And that applies to SEATO as well as to NATO.

Q. *Mr. Secretary, two questions bearing on that, related ones. You referred to need for the international community to consider the postwar reconstruction problem in Indochina, and the question I would like to ask on that is whether the United States contemplates taking a bilateral or a multilateral course on reconstruction. And secondly, could you discuss a bit more than you just mentioned the U.S. concept of the U.N. role in Indochina?*

A. On the first point, I have stated in the testimony before the House Foreign Affairs Committee, and I will be glad to state here again, that decisions about whether the aid shall be bilateral or multilateral have not been made and will depend on the conversations that we have with the North Vietnamese. And I think that is probably one of the matters that this Commission, the Joint Economic Commission, will want to consider.⁴ We tend to favor multilateral assistance for a lot of reasons, most of which are apparent. But we don't exclude either one. We think it depends on what seems to be most sensible from the standpoint of those who are receiving the aid, and also what is do-able in terms of our Congress.

Secondly, you ask what the role of the United Nations will be. Here again, it is going to depend on the attitude of the nations involved. We are not sure of that. We were encouraged by the fact that the Secretary General was included as a party at the conference. What the role of the U.N. would be after the conference and how the conference will view that role and so forth, I think has to await developments.

U.S. Policy Toward Cuba

Q. *Mr. Secretary, the administration has made a big point about how it has moved from confrontation to negotiation, as you did today. But I wonder if you could expound*

⁴ See p. 262.

on your views on relations with Cuba. Why isn't the United States interested in pursuing more actively a normalization of relations with Cuba?

A. Well, we have said many times, and I will repeat it today, that if the policies and attitudes of the Cuban Government were to change, we would think it would be a favorable development. On the other hand, we don't notice any change in the policies and attitude. And therefore our position remains the same.

As you know, the Cuban Government, or Cuban officials at least, have been very antagonistic to the United States. They even were very critical when the peace agreement was signed, contrary to the views expressed by most other nations in the world.

So we are not adamantly opposed to it. We just say that at the present time our policy remains the same.

President Nixon has indicated that if the attitudes and policies of the Cuban Government change, we would consider it a healthy sign.

Let's see if Mr. Gwertzman [Bernard Gwertzman, New York Times] has anything else.

Q. That's all right.

Q. Mr. Secretary, in view of the fact that this Cuban agreement, the hijack agreement, was arrived at under such difficult diplomatic conditions, do you feel this indicates an easier path toward similar agreements with other countries?

A. Well, I would hope that we could work out agreements with other countries, and that is one of the things we are going to consider, particularly in connection with our relations with Algeria. Because if hijackers come to the conclusion that there is no safe haven and that hijacking is a losing proposition, and that they are not going to be able to keep any money, and that they are going to jail for long periods of time, we think it will be quite a deterrent. So we are encouraged by this development. We are going to do everything we can to see that other na-

tions with which we have had problems might consider some similar arrangement.

Q. Mr. Secretary, why do you consider, or not consider I should say, the fact that Cuba was willing to enter into this agreement with you not a significant symbol of change in attitude toward the United States?

A. Well, we have said we think it is a good sign. We are pleased about it.

Q. But you don't consider it sufficient to change American attitudes.

A. No, not standing by itself.

Q. Official attitudes, I mean.

A. I think they had a practical problem. They were getting fed up with these criminals and worse who were going to Cuba, and they decided that it wasn't in their best interests either. It is certainly not a bad sign. We will make a note in our book about it. [Laughter.]

Trade Legislation and Negotiations

Q. Mr. Secretary, do you foresee any difficulties with the European Community if we do not have a trade bill enacted by this September, when the talks start? There have been a number of signs that the Europeans feel very strongly on this point.

A. I am not sure about the time sequence. The talks on trade matters start this fall.

Q. Right. And the consensus on the Hill is that a trade bill is not likely to be enacted by then.

A. Well, I don't think that that is a very considered judgment, because no one on the Hill knows what is being proposed yet. I think that when the proposals that we make are submitted to the Hill, there is going to be considerable support for the proposals, because the proposals are not in any sense of the word intended to open our markets to other goods to a greater extent than they are today. On the contrary, the purpose is to provide fairer trade so that if our markets are opened up to a greater extent, so will other markets be opened up to us. In other words, we just want equality of treatment in trade

matters. And I think it is recognized—I am sure it is recognized, because Foreign Ministers with whom I talked express that view—that there have to be a lot of changes made. There are many inequities. And we think that when the bill is proposed to the Congress, and it is seen that it is a proposal which will provide a more equitable arrangement in trade so that it is fair from the standpoint of American businessmen and American workingmen, Congress is going to feel differently about it. And we don't know of any other way to negotiate sensibly in the field of trade except this way—because it involves not only tariffs; it involves nontariff barriers that are very difficult to deal with by strictly legislation. It requires negotiating.

So I don't believe that Congress's attitude has been formulated yet. I would hope very much that Congress will respond favorably. It makes no sense to do it any other way. I mean the idea somehow that you can shut off the United States from foreign imports and that we will all be better off is just not so. What we want to do is have more trade, more world trade, but to have it conducted on a fair basis, particularly to eliminate the nontariff barriers, which are, as you know, hidden devices, often hidden devices, which prevent us from exporting to foreign markets.

Now, this is not something that we are manufacturing or just dreaming up. This is something other nations admit to.

Now, we are confident that we are leaving the era of reliance on military struggle, and I like to think of 1973 as a year of peace. As we leave that era and enter into a year of peace, then matters of trade, environment, matters involving the sea, communications, all of those things become much more important.

It is of vital importance for the international community to exercise sufficient discipline to deal with these matters. And I particularly am happy that our relations with all of the major powers in the world now are such that I think we have hope that we can deal with these difficult matters with a certain amount of discipline.

Q. Mr. Secretary, can you give us any idea when a bill might go up, sir?

A. No, we haven't decided yet.

Q. Mr. Secretary, do you expect at the international conference in Paris that there will be any serious discussion about the possibility of mutual cutbacks on the flow of arms into Indochina?

A. Well, the agreement itself, you know, provides for a cutback of arms. I would not rule it out. But as I say, I don't believe that is going to be one of the major items. The conference is going to be held 30 days after the agreement is signed, and the agreement itself provides an arrangement on arms to that area, particularly Viet-Nam. I would think it would be a little premature to think about that. I would not exclude it altogether.

Q. Mr. Secretary, I would like to ask you a question on the energy crisis. Do you think that the partial dependence of the United States on oil from the Middle East will influence the American policy toward the Middle East in the future?

A. Well, certainly it is a matter we have to consider, and we have always considered it. So it is not a new realization on our part.

It is important for us to have good relations with the Arab countries for a lot of reasons. That is one of them. But there are many other reasons.

If you put it in terms of, are we going to change our attitude and somehow shift all our thinking because there is a lot of public discussion about an energy crisis, the answer is no.

Q. Mr. Secretary, one of the methods, anti-hijacking methods, that so outraged some of the people on Capitol Hill, Senator Vance Hartke and others, are the stringent inspections of passengers before boarding planes. Will your agreement with Cuba in some way lessen the stringency of those examinations or will they continue?

A. No, they will continue. I think all Americans should cooperate fully with the airlines for the sake of all passengers who ride on aircraft.

Q. Mr. Secretary, when Ambassador Scali and our U.N. delegation go gingerly into Panama next month for the Security Council meeting, are you apprehensive that they may encounter some traumatic experience, like physical violence or verbal abuse, because of the hot issues there?

A. No, I don't think so. I think Ambassador Scali will go to Panama in a relaxed and dignified manner. [Laughter.]

Q. Mr. Secretary, could you tell us in more detail of any contacts that you are having or not having with the Egyptians? Do you expect a messenger here? Do you have any American who will be going there or meeting with the Egyptians on neutral ground?

A. Well, I said earlier we have a lot of communications with Egypt, one way or another, indirectly and some directly. And we would welcome visits by high-ranking Egyptians to the United States. I was treated very graciously when I was in Egypt, and we certainly would welcome visits by Egyptians and we would reciprocate.

Relations With People's Republic of China

Q. Mr. Secretary, what are the hoped-for or expected results of Dr. Kissinger's [Henry A. Kissinger, Assistant to the President for National Security Affairs] visit to Peking?

A. Well, we have expectations of increasing improvement in our relations with the People's Republic of China. We have been encouraged by the progress that has been made. And as you remember, the Shanghai communique—I guess it was the Peking communique—anyway, the communique we issued while we were there—called for additional contacts.⁵ And this is consistent with that.

We expect that the progress that has been made will accelerate in the years ahead. As you know, trade has increased considerably, certainly in proportionate terms. And we have had a very sensible and pleasant exchange of persons. We hope that will in-

crease. Americans have been traveling to China in some number, and we have had a good many Chinese here. And our relations on the whole have been good. We hope to continue that process.

Q. Mr. Secretary, to follow that up, speaking of the Shanghai communique, have tensions in Asia lessened sufficiently to lower the American profile on Taiwan? And to follow up with another question—you said you would welcome a high-ranking Egyptian visitor; do you expect a high-ranking Egyptian visitor?

A. We don't have any plans at the moment.

Q. On the second question.

A. Yes. What was the first part?

Q. Have tensions subsided sufficiently in Asia to lower the American profile on Taiwan?

A. I think it is too early to consider that. We have said—I think it was in the communique—that as tensions did reduce in the area we would probably reduce our presence in Taiwan. But as you know, we have very few men in Taiwan. So it is more symbolic than real. We don't have many troops there.

Q. Are you ready to take that symbolic step?

A. As I said, not yet.

Q. Mr. Secretary, a high-ranking official said last night that he expected a Laotian cease-fire by the time you leave for Paris. Can you give us some more details on that?

A. No. That is my view. We expect it and we certainly hope it will come about.

Mary [Mary McGrory, Washington Star-News].

Q. Mr. Secretary, what will you say to opponents of aid to North Viet-Nam in Congress when they point out to you that North Viet-Nam already has two powerful, wealthy patrons in China and Russia who have contributed to her survival and well-being, so that our aid could be just symbolic or unnecessary and better used for domestic programs?

⁵ For text, see BULLETIN of Mar. 20, 1972, p. 435.

A. I think it will depend a little bit on what the developments are and what type of aid programs are contemplated, whether they are done through international organizations or a consortium or what.

Now, stated in the stark terms that you stated, I realize that it has political impact. But I think on the other side of the coin, there is an advantage, it seems to us, to cooperate internationally, either bilaterally or multilaterally—it doesn't make all that difference, if it is an international effort, how you do it—to assist in the whole area.

Our policy has been in the area that we did not desire any gains for ourselves, that we were prepared, once the war was ended and once the people in the area had the right to determine their own future—that we were prepared to help reconstruct. President Johnson said that, President Nixon has said it, and we mean it. And we would hope that if reconstruction efforts are undertaken, that they can be undertaken in the spirit of international cooperation, not international struggle. Whether that is possible or not, we will have to wait and see. We hope so. And if that is possible, and that is our hope, then I think Congress would react favorably. Congress would not want us to do more than our share, and Congress certainly doesn't want us to do it in a spirit except as I have mentioned, a spirit of international cooperation to help reconstruct the area that has been devastated by this war. But if it is properly constructed, and if it appears to hold out promise for peace in that area, we believe it is a good investment. And I think the attitude of Congress will change when it hears the programs that we will develop and hears that it does hold out promise for peace as a result of international cooperation.

Q. Mr. Secretary, sir, has Mr. Castro indicated that he will return hijackers, and has he said what he is going to do in the future with those who do not choose to recognize this agreement?

A. No, he has not. We haven't asked him. This agreement is not retroactive. It is prospective. And we would expect that in both

cases it will end up with prosecution rather than extradition. But the information that we have from Cuba recently indicates that the Cuban Government has been dealing rather harshly with the hijackers. And certainly that is true from the information we have about these last ones—I think their name was Tuller. So we expect that the Cuban Government will live up to the agreement, and we expect to live up to the agreement.

Q. Mr. Secretary, for several years the United States has cited Cuba's ties with the Soviet Union and its export of revolution to other countries in Latin America as the chief bars for improvement in relations. Yet the President's last comment on Cuba and your comments today did not specifically mention either of those two things. Does the United States still regard those two as the chief obstacles to an improvement in relations?

A. No. We regard the obstacles to the improvement of our relations the ones that I have cited.

Q. Mr. Secretary, a very short question. What is the "year of Europe" going to bring next?

A. Well, I like the idea of a "year of peace" rather than a year of Europe, because I think the phrase "year of Europe" suggests that we are going to neglect other areas of the world and turn all of our attention to Europe. I don't think that is going to be the case. I think there is going to be a greater emphasis on Europe and European problems than we have given in the past for a lot of obvious reasons: (1) the enlargement of the Community; (2) we have a lot of conferences underway dealing with European matters—the European Security Conference, the mutual and balanced force reductions, the SALT talks [Strategic Arms Limitation Talks]. And the problems on the enlargement of the Community will certainly involve very difficult trade matters which will be, certainly to a large extent, dealing with Europe—of course, also, to a considerable extent Japan. So all of those factors

together make it quite certain that Europe will receive renewed emphasis in this next year.

Q. Mr. Secretary, what are the prospects for improving relations with India?

A. Well, I think our relations with India should improve. We want to have more friendly relations with India. I was encouraged by the response of the Foreign Ministry to comments that I made the other day at the House Foreign Affairs Committee and the Prime Minister's clarifications that were made in Nepal. Ambassador Moynihan is on his way to India now and is enthusiastic about the assignment. So I think we will gradually improve our relations with India. After all, India is the largest democracy in the world, and we have had very important and good relations with India over the years. I hope that we can continue to improve our relations with them.

Q. What about that other democracy, Sweden—it is a monarchy but a democracy?

A. Well, I think it is on a different scale.

Violations of Viet-Nam Cease-Fire

Q. Mr. Secretary, are you at all concerned about the continuing cease-fire violations in Viet-Nam?

A. Well, we think that what is happening in Viet-Nam is about what we would have expected. We do not think that the cease-fire violations suggest that the parties are not committed and willing to carry out the peace agreement. I have analyzed them very carefully just before I came here to this meeting, and I am convinced that they represent in many instances local squabbles which we anticipated.

Secondly, at the present time the teams are not in place. As you know, the regional teams are in place, but the smaller units are not in place. So there are 26 teams that are going to be dispersed throughout the countryside very soon.

Quarters are being built for them now—I am not sure we are building them, but in any event, quarters are being provided for them, some of them have to be built. I think

that when the teams get in place, you will find that these cease-fire violations, or alleged cease-fire violations, decrease. And we are confident that the agreement will be carried out and that the cease-fire will be effective in South Viet-Nam. We see no indication that any party is attempting now to scuttle the peace agreement or is attempting to do anything that would undercut it in the final sense. So we think that the cease-fire is going to be effective, and we think when the ICCS [International Commission of Control and Supervision] teams get in place and the joint military teams get in place that it will become effective.

Q. Mr. Secretary, yesterday the Japanese Prime Minister Tanaka said that Japan is ready to provide some facilities for the international conference on the rehabilitation of Indochina. Do you have any comment on this?

A. I'm sorry, I didn't hear the first part.

Q. He said that Japan is ready to provide some facilities for the international conference on the rehabilitation of Indochina.

A. I see. I don't have any comment on that. I do very much welcome Japan's interest in cooperating in reconstruction and rehabilitation, and we expect that Japan will play a very important major role in that effort. And we not only welcome it, but we appreciate the attitude of the Japanese Government.

Q. Mr. Secretary, one final question on the aid thing. I wonder how you would answer the critics in Congress, going back to the question of the critics in Congress, when you stress the need for reconciliation with North Viet-Nam and the President appears in his remarks to be taking a very hard line against dissenters in this country. For instance, on the amnesty issue, isn't there a contradiction in that? We are ready for reconciliation with the enemy abroad.

A. No, I don't think so. I don't want to go into the amnesty question at any length, except to say that the judicial process that we have in this country attempts to deal with cases that require attention. For exam-

ple, conscientious objectors have a right, under our law, to make their objections known and to be dealt with in a way that is consistent with their views.

But we have a system that says that you are required to respond to a draft. Now, in cases where people resisted, and fled or deserted, that means someone else had to take their place; someone else had to serve for them; someone else may have been killed because they refused to serve. We had, what, 3 million men serve in Viet-Nam, and we had 46,000 battle casualties.

Now, what we are saying is that, even though it is a difficult problem, those who violate the law should be dealt with by legal processes. And that is all; it is not failure of compassion. What we are saying is that if you have a legal system and a rule of law, people are supposed to abide by it. And we can't forget those who sacrificed their lives and were seriously injured because someone else failed to serve.

Now, obviously after a war is over, it is important for the country to attempt to get together and to have a period of reconciliation. And what the President was saying, and what I said the other day, is we are perfectly happy to do that. We would like to do it. We think it is essential that we do that. But we don't expect our critics to continue to criticize us and make charges which we think are unjustified, without having some counterattack. And so when someone in Congress asked me—the first time he asked me a question—he asked me a question which indicates he supports the comments of the Swedish Prime Minister, I indicated I don't like it.

Now, that isn't suggesting that we don't want to have a period of reconciliation. We just are making it clear that now that it is over with, we would like to get on with the business of making peace.

So, I don't think we are going to have any difficulty with Congress. I think Congress on the whole supports this. I have had a good conversation with Senator Fulbright and several other Senators, and I have a nice letter from him saying that now that Viet-Nam is behind us, I don't believe we will have

any problems. And I don't think we are going to have any problems.

And as far as the administration is concerned, we want very much to get on with the business of peace and reconstruction here. And I can't think of anything that gets us off to a better start than to watch these returning POW's. If that doesn't make America proud, then I don't know what will. I think it is time that all of us took a little pride in our country.

United States and Cuba Reach Agreement on Hijacking

Following is the text of a note signed by Secretary Rogers on February 15 addressed to Jaroslav Zantovsky, Chargé d'Affaires ad interim of the Czechoslovak Socialist Republic, which represents Cuban interests in the United States.

Press release 35 dated February 15

FEBRUARY 15, 1973.

SIR: I refer to the Memorandum of Understanding on the hijacking of aircraft and vessels and other offenses which has resulted from conversations which have taken place between the Embassy of Switzerland, representative of the interests of the United States of America in Cuba, and representatives of the Government of the Republic of Cuba, the text of which is as follows:

MEMORANDUM OF UNDERSTANDING ON HIJACKING OF AIRCRAFT AND VESSELS AND OTHER OFFENSES

The Government of the United States of America and the Government of the Republic of Cuba, on the bases of equality and strict reciprocity, agree:

FIRST: Any person who hereafter seizes, removes, appropriates or diverts from its normal route or activities an aircraft or vessel registered under the laws of one of the parties and brings it to the territory of the other party shall be considered to have committed an offense and therefore shall either be returned to the party of registry of the

aircraft or vessel to be tried by the courts of that party in conformity with its laws or be brought before the courts of the party whose territory he reached for trial in conformity with its laws for the offense punishable by the most severe penalty according to the circumstances and the seriousness of the acts to which this Article refers. In addition, the party whose territory is reached by the aircraft or vessel shall take all necessary steps to facilitate without delay the continuation of the journey of the passengers and crew innocent of the hijacking of the aircraft or vessel in question, with their belongings, as well as the journey of the aircraft or vessel in question, with their with it, including any funds obtained by extortion or other illegal means, or the return of the foregoing to the territory of the first party; likewise, it shall take all steps to protect the physical integrity of the aircraft or vessel and all goods, carried with it, including any funds obtained by extortion or other illegal means, and the physical integrity of the passengers and crew innocent of the hijacking, and their belongings, while they are in its territory as a consequence of or in connection with the acts to which this Article refers.

In the event that the offenses referred to above are not punishable under the laws existing in the country to which the persons committing them arrived, the party in question shall be obligated, except in the case of minor offenses, to return the persons who have committed such acts, in accordance with the applicable legal procedures, to the territory of the other party to be tried by its courts in conformity with its laws.

SECOND: Each party shall try with a view to severe punishment in accordance with its laws any person who, within its territory, hereafter conspires to promote, or promotes, or prepares, or directs, or forms part of an expedition which from its territory or any other place carries out acts of violence or depredation against aircraft or vessels of any kind or registration coming from or going to the territory of the other party or who, within its territory, hereafter conspires to promote, or promotes, or prepares, or directs,

or forms part of an expedition which from its territory or any other place carries out such acts or other similar unlawful acts in the territory of the other party.

THIRD: Each party shall apply strictly its own laws to any national of the other party who, coming from the territory of the other party, enters its territory, violating its laws as well as national and international requirements pertaining to immigration, health, customs and the like.

FOURTH: The party in whose territory the perpetrators of the acts described in Article FIRST arrive may take into consideration any extenuating or mitigating circumstances in those cases in which the persons responsible for the acts were being sought for strictly political reasons and were in real and imminent danger of death without a viable alternative for leaving the country, provided there was no financial extortion or physical injury to the members of the crew, passengers, or other persons in connection with the hijacking.

FINAL PROVISIONS:

This Agreement may be amended or expanded by decision of the parties.

This Agreement shall be in force for five years and may be renewed for an equal term by express decision of the parties.

Either party may inform the other of its decision to terminate this Agreement at any time while it is in force by written denunciation submitted six months in advance.

This Agreement shall enter into force on the date agreed by the parties.

Done in English and Spanish texts which are equally authentic.

In compliance with the express instructions of my Government, I wish to convey its acceptance of the Memorandum of Understanding transcribed above, as well as its agreement that the simultaneous exchange of notes taking place in Washington between the Department of State and the Embassy of the Czechoslovak Socialist Republic, representative of the interests of the Republic of Cuba in the United States of America, and in Havana between the Embassy of Switzerland, representative of the interests

of the United States of America in Cuba, and the Ministry of Foreign Relations, shall constitute the agreement on the hijacking of aircraft and vessels and other offenses between the Government of the United States of America and the Government of the Republic of Cuba, which shall take effect on the date of this note.

Accept, Sir, the renewed assurances of my high consideration.

WILLIAM P. ROGERS.

The Honorable
JAROSLAV ZANTOVSKY,
Charge d'Affaires ad interim of the Czechoslovak Socialist Republic.

U.S. Conveys Formal Invitations to Viet-Nam Peace Conference

Following is the text of the U.S. note referred to in Secretary Rogers' news conference of February 15, as distributed to the press that day.

The Government of the United States of America in concert with the Government of the Democratic Republic of Viet-Nam and on behalf of the parties participating in the Paris Conference on Viet-Nam, presents its compliments to the Government of _____, and has the honor to invite the Government of _____ to participate in the International Conference on Viet-Nam to be held in Paris on February 26, 1973.

As provided in Article 19 of the Agreement on Ending the War and Restoring Peace in Viet-Nam signed in Paris on January 27, 1973, this Conference will be convened "to acknowledge the signed Agreements; to guarantee the ending of the war, the maintenance of peace in Viet-Nam, the respect of the Vietnamese People's fundamental national rights, and the South Vietnamese People's right to self-determination; and to contribute to and guarantee peace in Indochina."

It is proposed that the Conference should

meet at 10 a.m. local time at the International Conference Center.

It is further proposed that the parties should be represented by their respective Ministers for Foreign Affairs accompanied by appropriate official members of Delegations, and as provided in Article 19 of the Agreement on Ending the War and Restoring Peace in Viet-Nam, the parties being invited to participate are: "The People's Republic of China, the Republic of France, the Union of Soviet Socialist Republics, the United Kingdom, the four countries of the International Commission of Control and Supervision, and the Secretary General of the United Nations, together with the parties participating in the Paris Conference on Viet-Nam."

It would be appreciated if the Government of _____ will reply to this invitation no later than February 20, 1973, advising whether the Government of _____ is prepared to attend this Conference, and, if so, indicating the names of its Delegation.

The Government of the United States of America takes this opportunity to renew to the Government of _____ the assurances of its highest consideration.

[Initialed by Secretary Rogers.]

DEPARTMENT OF STATE, WASHINGTON,
February 15, 1973.

U.S. and North Viet-Nam Discuss Implementation of Paris Agreement

Following is the text of a United States-Democratic Republic of Viet-Nam communique issued at Washington and Hanoi February 14.

White House press release dated February 14

Dr. Henry A. Kissinger, Assistant to the President of the United States, arrived in Hanoi on February 10, 1973, and left Hanoi on February 13, 1973. He was accompanied by Mr. Herbert G. Klein, Director of Communications for the Executive Branch, Ambassador William H. Sullivan, Deputy

Assistant Secretary of State, and other American officials.

During his stay in Hanoi, Dr. Henry A. Kissinger was received by Premier Pham Van Dong, Special Advisor Le Duc Tho, and Vice Premier Nguyen Duy Trinh. The DRVN side and the U.S. side had frank, serious, and constructive exchanges of views on the implementation of the agreement on ending the war and restoring peace in Vietnam which was signed in Paris on January 27, 1973, as well as post-war relations between the Democratic Republic of Vietnam and the United States, and other subjects of mutual concern. Special Advisor Le Duc Tho and Dr. Kissinger also held discussions in a continuation of their meetings which took place in Paris during the past four years. In addition to these working sessions, Dr. Kissinger and his party visited a number of points of interest in Hanoi.

The two sides carefully reviewed the implementation of the Paris Agreement on Vietnam in the recent period. They discussed various imperative measures which should be taken to improve and expedite the implementation of the agreement, and also agreed that they would continue to have periodic exchanges of views in order to ensure that the agreement and its protocols are strictly and scrupulously implemented, as the signatories have undertaken.

The two sides welcomed the discussions between the two South Vietnamese parties for the purpose of carrying out the provisions concerning self-determination in South Vietnam, in accordance with the stipulations of the Paris Agreement on Vietnam.

The Democratic Republic of Vietnam and the United States declared that the full and scrupulous implementation of the Paris Agreement on Vietnam would positively contribute to the cause of peace in Indochina and Southeast Asia on the basis of strict respect for the independence and neutrality of the countries in this region.

The two sides reaffirmed that the problems existing between the Indochinese countries should be settled by the Indochinese parties on the basis of respect for each other's independence, sovereignty, and territorial integrity, and non-interference in each other's

internal affairs. They welcomed the negotiations between the parties in Laos, which are intended to produce a peaceful settlement in that country.

The two sides exchanged views on the manner in which the United States will contribute to healing the wounds of war and to post-war economic reconstruction in North Vietnam. They agreed to establish a DRVN-U.S. Joint Economic Commission. This Commission, which will be composed of an equal number of representatives from each side, will be charged with the task of developing the economic relations between the Democratic Republic of Vietnam and the United States.

The two sides also exchanged views on the convening of International Conference on Vietnam, as provided for in Article 19 of the Paris Agreement on Vietnam. They will continue their consultations with the other participants in the conference so as to prepare the ground for a successful meeting.

The two sides considered the post-war relationship between the Democratic Republic of Vietnam and the United States, and examined concrete steps which can be taken to normalize the relations between the two countries. They agreed on certain general principles which should govern their mutual relations.

—All provisions of the Paris Agreement on Vietnam and its protocols should be fully and scrupulously implemented.

—The Democratic Republic of Vietnam and the United States should strive for a new relationship based on respect for each other's independence and sovereignty, non-interference in each other's internal affairs, equality and mutual benefit.

—The normalization of the relations between the Democratic Republic of Vietnam and the United States will help to ensure stable peace in Vietnam and contribute to the cause of peace in Indochina and Southeast Asia.

Dr. Kissinger and his party expressed warm appreciation for the hospitality extended by the Democratic Republic of Vietnam. Both sides hope that this visit will mark the beginning of new bilateral relations.

The Soviet Trade Agreement—What It Is

*Address by Charles N. Brower
Acting Legal Adviser¹*

It is my purpose this evening to discuss the provisions of the Agreement Between the Government of the United States of America and the Government of the Union of Soviet Socialist Republics Regarding Trade signed October 18, 1972, in a fashion which will better enable practitioners to assist their clients contemplating commercial transactions with entities of the Soviet Union.² In doing so I will necessarily touch on the broader reasons for concluding such an agreement as well as pertinent historical background.

The first question one might ask with respect to this agreement is why any trade agreement at all has been concluded with the Soviet Union. As we all know, trade has been carried on over the years between our two countries, albeit at rather low levels, without there having been, at least for the last 21 years, a bilateral trade agreement in force. Of course the specific substantive benefits of the agreement for American business, as I will describe, provide a partial answer to this question. A more complete answer to the question, however, requires reflection on the context in which the agreement was concluded.

Trade agreements, as the Soviet Union has demonstrated through its own practice, frequently are as much inspired by political considerations as they are by economic or commercial factors. Certainly the U.S. agreement on trade with the Soviet Union must

be regarded at least in part as evidencing a substantial political act. Historically speaking, trade relations are a natural accompaniment of peaceful political relations, although one might disagree from case to case as to which one precedes the other. In any event it is natural that in the developing environment of more relaxed relations between our two countries, which found both a culmination and a rebirth at the Moscow summit last May, the two countries should endeavor to regularize their trade relations on the basis of a written agreement. Indeed, it would be, I suppose, nearly unthinkable for the President and other high American officials to have signed nine agreements in Moscow in a period of six days without ultimately concluding one relating to trade.

Trade matters, however, are frequently among the more intractable questions which divide peoples in international affairs, and perhaps it was also to be expected that no trade agreement could be completed at the summit. Wishing to record their positive intentions with respect to this subject, however, and to establish a mechanism for their practical realization, the two sides agreed, in a special communique issued May 26, 1972, during the summit talks, to establish a Joint U.S.-U.S.S.R. Commercial Commission. The Commission was specifically tasked with negotiating agreements providing for reciprocal granting of most-favored-nation treatment, a mechanism for arbitration of commercial disputes, measures looking toward mutual exploration of potential joint ventures, reciprocal availability of government credits, and reciprocal establishment of business facilities to promote trade. The Com-

¹ Made before the Association of the Bar of the City of New York on Feb. 13 (press release 34).

² For the texts of the agreement, annexes, and related U.S. letters, see BULLETIN of Nov. 20, 1972, p. 595.

mission likewise was to explore questions of patents and licensing and other matters of mutual interest. Two sessions of the Joint Commission held under the chairmanship of Secretary of Commerce Peterson and Soviet Minister of Foreign Trade Patolichev in Moscow in July and in Washington in the fall resulted in the conclusion of an agreement on October 18, 1972, together, incidentally, with a settlement of the long-unpaid Soviet lend-lease debt and an agreement to extend Export-Import Bank financing to the Soviet Union and Soviet financing to American companies.

The utility and effect of this agreement as a political impetus is demonstrated by the fact that during 1972 trade with the Soviet Union rose dramatically. American exports to the Soviet Union in 1972, including grain sales, totaled \$546.7 million, as against \$161.7 million in 1971. Soviet sales to the United States reached \$95.4 million in 1972, as opposed to a 1971 total of \$57.6 million. This represents almost a tripling of bilateral trade over one year. This has occurred despite the fact that as of today the trade agreement, although signed, has not actually entered into force.

The trade agreement has duly notified the foreign trade bureaucracy in the Soviet Union that trade with the United States, at substantially increased levels, is in accordance with approved policy. It has signaled our own merchants to the same effect. This formal manifestation of governmental political intent by its very existence acts to promote trade. It signifies that the prerequisites for stability of commercial relations exist.

Before leaving the political aspects one should note the particularly keen Soviet interest in obtaining most-favored-nation treatment from the United States, treatment which it enjoyed for many years prior to 1951. The Soviet Union has long regarded revocation of most-favored-nation treatment during the time of the Korean War as a discriminatory political act which must be erased from the books. Again, an agreement would not be necessary to this result inasmuch as the Congress could easily legislate such treatment in the absence of an agree-

ment, but the Soviet Union placed great value on receiving a formalized commitment on the part of the executive branch to seek such legislation.

Turning now to an analysis of the provisions of the agreement, they are basically divisible into four categories, and I will discuss them in this order: most-favored-nation treatment; hortatory provisions encouraging the facilitation of trade; concrete regulatory provisions governing, or at least influencing, the terms of commercial agreements between the two countries; and provisions regarding channels of communication and negotiation in developing commercial agreements.

MFN and Trade Facilitation Provisions

Article 1 of the agreement contains an extremely carefully drafted provision for mutual granting of most-favored-nation treatment. Particular care was exercised to preserve our ability to grant preferences to less developed countries and also to preserve our right to take any action either required or permissible under the General Agreement on Tariffs and Trade. Most-favored-nation treatment is the only provision of the trade agreement which requires specific legislative action in order for the United States to meet its obligations under the agreement. The provision for most-favored-nation treatment is subject, as is the entire agreement, to the right of either government, set forth in article 8, "to take any action for the protection of its security interests." It is further expressly subject to the market disruption or safeguard provisions of article 3, to which I will refer in a moment.

The provisions I have characterized as hortatory ones encouraging the facilitation of trade appear in article 2. For example, article 2 indicates an expectation that total bilateral trade will triple during the three-year period of the agreement in comparison with the period 1969-71. We have seen that on an annual basis there already has been a near tripling. In accordance with whatever laws or regulations are currently in effect in each country, article 2 records the intention to facilitate the conclusion of long-term commercial contracts and to examine various

specified fields in which the expansion of commercial and industrial cooperation is desirable. It also includes a Soviet expectation that it will place substantial orders in the United States of America for "machinery, plant and equipment, agricultural products, industrial products and consumer goods." These provisions memorialize the political aspect of the trade agreement.

Market Disruption and Currency Provisions

The regulatory provisions of the agreement basically are found in article 3, the market disruption provisions; article 4, which relates to currency payments; and article 7, which mainly establishes a mechanism for the arbitration of commercial disputes between nationals of the two countries.

Let me address myself first to the market disruption provisions of article 3. In preparing for the negotiations with the Soviet Union it was apparent that there is some natural apprehension about the ability of a very large non-market-economy country, where all purchases, sales, and other commercial activities can be centrally controlled, to act in a fashion which could arbitrarily disrupt domestic American markets. It therefore was felt appropriate for the United States, as a matter of international law, to reserve the right to "ensure that the importation of products originating in (the Soviet Union) does not take place in such quantities or under such conditions as to cause, threaten or contribute to disruption of its domestic market." Annex 1 to the agreement, together with an exchange of letters between Secretary Peterson and Minister Patolichev, makes it clear that in the last analysis the Soviet Union must "limit or establish conditions on exports of any product" from the Soviet Union if requested by the United States, and that the United States, for its part, is required only to make "available to United States exporters information regarding the quantities or conditions stated by" the Soviet Government to be acceptable with respect to any product. The extent to which the United States may wish to arm itself to implement the extensive rights it thus has under international law will undoubtedly be one of the

significant issues discussed in connection with congressional consideration of this agreement.

The second provision of a regulatory nature is article 4, which basically provides for currency payments by the entities of the two countries to be made in United States dollars "or any other freely convertible currency mutually agreed upon" by the commercial partners. This is an important provision guaranteeing to American companies that their income from commercial transactions with Soviet enterprises will be realized in an easily convertible way. In the absence of such a provision American companies could be limited, depending upon their individual bargaining power, to goods in kind or currencies not easily transferable or useful outside the Soviet Union.

Arbitration Mechanism

The third and, from the lawyer's perspective, one of the most significant regulatory provisions is article 7, which establishes an arbitration mechanism. In approaching this subject we were well aware of Soviet preference for proceedings under the Soviet Foreign Trade Arbitration Commission. We learned from our soundings that by general reputation FTAC proceedings are considered to be fair, with the notable exception of the Israeli oil arbitration case. It was felt, however, that one cannot necessarily rely on the indefinite continuation of such fairness and therefore that it would be inappropriate to urge that American businessmen accept FTAC arbitration and unrealistic to believe that Congress would approve of it. Inasmuch as we rejected Soviet arbitration we of course could not vigorously propose arbitration principally connected with the United States, whether under the auspices of the American Arbitration Association or otherwise. The focus thus was quickly placed upon locating or developing a neutral mechanism. We considered the possibility of establishing a bilateral arbitration mechanism with participation of third-country nationals, but it was apparent that this would require considerable organization, would probably entail significant funding, and could not be opera-

tional for some period of time. We likewise considered governmental agreement to remit the issue to the FTAC and private American authorities, but again felt that it was preferable to arrive at some solution which could be operational almost immediately.

The search concentrated on finding an existing mechanism or set of rules appropriate to Soviet-American trade which would be mutually acceptable and immediately available. The Arbitration Rules of the Economic Commission for Europe of January 20, 1966, were developed by an arm of the United Nations in which both the United States and the Soviet Union are active, although the United States did not participate significantly in the preparation of the arbitration rules. The rules were developed by the ECE specifically for application to disputes arising in East-West trade, and our careful examination of the rules indicated that they in fact incorporate the standards of fairness and due process we felt necessary to insure to American business. In order to guarantee that any arbitration would be kept out of the Soviet arena, and necessarily also out of a strictly American environment, we suggested that the parties to a commercial agreement should specify an Appointing Authority, which has certain potential responsibilities under the rules, in a country other than the United States or the Soviet Union. We further provided that the parties should specify a third country as the place of arbitration and that it must be a country which is a party to the 1958 Convention on the Recognition and Enforcement of Foreign Arbitral Awards so as to insure the ability to compel arbitration and to secure enforcement of awards. Both the Soviet Union and the United States are parties to that convention. After some difficult bargaining the Soviet Union accepted our proposal. We believe this acceptance reflects the ripening of a more enlightened Soviet attitude toward third-party dispute settlement procedures.

It will be noted that the trade agreement does not make the specified arbitration provisions mandatory. Apart from the fact that it might well raise significant constitutional issues under our law were we to compel American companies to adopt a particular

arbitration provision, we felt as a matter of policy that American companies should be permitted latitude should they choose to agree to another scheme of arbitration. Article 7 therefore reads in terms of encouragement rather than mandate and, at Soviet insistence, includes a final phrase expressing what in any event was implicit; namely, that parties to a commercial agreement might decide on some other form of arbitration. We believe, however, given the particular dynamics of the Soviet system, that this should be sufficient to successfully insulate American companies from pressures for FTAC proceedings on the part of Soviet enterprises which find themselves in an advantageous bargaining position. I urge those of you who work on Soviet trade transactions to take full advantage of this arbitration provision, to familiarize yourselves with the ECE rules, and to insist on their application in your negotiations with Soviet entities.

I think it will be very important to the successful implementation of this portion of the agreement that American companies avail themselves of it and require their Soviet interlocutors to accept it. Propagation of this arbitral arrangement, which our government has negotiated with extreme care, could in the long run do much to insure stability in commercial transactions with the Soviet Union.

Channels of Communication and Negotiation

I turn now to the provisions regarding the channels of communication and negotiation in developing commercial agreements. These are article 5, which provides for official governmental trade representations in the two capitals, and article 6, which, together with a related exchange of letters, outlines provisions for establishment of offices in the Soviet Union by private American companies and in the United States by Soviet foreign trade organizations.

In drafting article 5, the provision on governmental representations, we were naturally sensitive to questions of immunity. We were concerned that the Soviet Union not be in a position of carrying on substantial trade transactions through persons or facilities which would be immune from the judicial

processes which sometimes must be invoked in connection with commercial transactions. Therefore, the reciprocal official representations in Washington and Moscow are limited each to one principal officer and three deputy officers, plus a number of staff personnel to be agreed upon according to the formulas which govern our diplomatic and consular personnel. These personnel enjoy the privileges and immunities which are normally enjoyed by corresponding categories of diplomatic personnel. Article 5 expressly forbids these officers, however, to "participate directly in the negotiation, execution or fulfillment of trade transactions or otherwise carry on trade." In the event this provision were to be violated and an American company were unable, because of the personal immunity enjoyed by a Soviet trade officer, to effectively litigate a dispute, it would in fact not have a remedy in the particular case. On the basis of such violation, however, the U.S. Government could in line with standard international practices cause the withdrawal of that officer, and the availability of this sanction should be adequate to insure observance of the prohibition. It is also made clear that existence of these establishments will not interfere with direct relations between American companies and Soviet foreign trade organizations. At Soviet request the trade representations may provide office facilities to personnel of commercial companies and, in the case of the Soviet Union, foreign trade organizations, but they enjoy no immunity except for the fact that documents or property on the premises of the trade representations enjoy the physical protection bestowed by virtue of the inviolability of the premises under international law. We do not regard this as a serious problem in cases of potential litigation, however, since jurisdiction over the foreign trade organization or the personnel involved should confer on any court adequate ability to compel the production of evidence.

Article 6, relating to office facilities of companies and foreign trade organizations, expressly prohibits any claim by such an entity to sovereign immunity from suit, execution of judgment, or other liability. While

under our law this in any event would be the case, it is useful to have official Soviet acceptance of this position. Furthermore, article 6, together with an exchange of letters, elaborates on the procedures whereby American companies may be accredited for appropriate business facilities in the Soviet Union. The provisions are extensive, and I believe I should properly defer to Mr. Lazarus [Steven Lazarus, Deputy Assistant Secretary and Director, Bureau of East-West Trade, Department of Commerce; Executive Secretary, Joint U.S.-U.S.S.R. Commercial Commission], who is familiar with their practical application, for any detailed explanation. The most important provision here is the obligation of the Soviet Union to accord United States companies "treatment no less favorable than that accorded to business entities of any third country in all matters relating to accreditation and business facilitation." The Soviets have also expressed their intention to establish a large trade and economic exposition center with display pavilions, as well as a large trade center containing offices, hotel, and apartment facilities which will be available to United States companies as well as to others. In this context the United States has also expressed agreement to the establishment in the United States for a limited period of time of a temporary purchasing commission for the Kama River Truck Complex.

In closing let me say a word about the final article, article 9. The agreement is to be in force during a period of three years. It enters into force only "upon the exchange of written notices of acceptance," which in the case of the United States must await the passage of most-favored-nation legislation. At the present time it is impossible to predict when this might come about. In the meantime, however, under conventional international law, as recorded in the Vienna Convention on the Law of Treaties, the two sides are obligated to act in accordance with the substantive provisions of the agreement. Accordingly, I would urge each of you to study it with care and to seek to apply relevant provisions in your own negotiations and transactions with the Soviet Union.

Prime Minister Heath of the United Kingdom Visits Washington

Edward Heath, Prime Minister of the United Kingdom of Great Britain and Northern Ireland, made an official visit to Washington February 1-3, during which he met with President Nixon and other government officials. Following are an exchange of greetings between President Nixon and Prime Minister Heath at a welcoming ceremony on the South Lawn of the White House on February 1 and their exchange of toasts at a dinner at the White House that evening.

EXCHANGE OF GREETINGS

Weekly Compilation of Presidential Documents dated February 5

President Nixon

Mr. Prime Minister: The fact that we are meeting on what is probably the coldest day of the year in no way measures the warmth of our welcome to you today, a welcome not only personal because of our personal friendship but also official because you represent a great and a good friend and ally of the United States. And under these circumstances it seems most appropriate that the first state visit being paid to Washington at the beginning of this term is being paid by you.

Since we last met in Bermuda, a number of events have occurred which have had great impact on the chances for peace in the world—the visits to Peking and to Moscow and the recent agreement that has been announced ending the war in Viet-Nam.

And now we can turn to tasks that are enormously important, tasks on which we have worked together in the past and to which we can devote even more attention in the future.

The cornerstone of American policy—and I think I can say, too, perhaps the cornerstone of the policy of your country—in terms

of promoting the cause of peace and freedom and progress in the world, is the great alliance of which we are a part. I speak not just to the military alliance but of those areas in the economic and other fields where we cooperate.

The fact that you represent a country with which the United States has some very special ties, and the fact that you as an individual, from the time you have been in public life, have looked not just inward but have looked outward to Europe and the rest of the world, means that your talks will be very helpful to us in developing, we hope, a common policy for this era of peace which we trust is now going to be developed, not only in the Atlantic but in the Pacific and, we trust, in the world.

So we look forward to our two days of talks, and we are sure that they will be constructive in working toward the great goals we both share of peace and justice and freedom in the world.

Prime Minister Heath

Mr. President: The Foreign Secretary and I are delighted to be here with you again in Washington and to have this opportunity of meeting you and your colleagues.

I would like to thank you for the warmth of the welcome which you have given to the Foreign Secretary and myself today. As you have said, this is the first official visit in your second term as President, and we deeply appreciate the honor which you have done us and the significance of it.

This visit comes, I think you will agree, at an auspicious moment after, as you have said, the signing of the agreements on Viet-Nam. We in Britain have greatly admired the steadfastness with which you have pursued the objective of securing peace and the

courage with which you have made the many very difficult decisions during these past years. We share with you the hope that the people of Viet-Nam will now be able to find and to work out a future for themselves, a future in peace and, we hope, more and more in freedom.

Mr. President, no British Prime Minister coming here to Washington today could be unmindful of the loss which the United States has sustained in the recent death of two former Presidents, Harry S. Truman and Lyndon B. Johnson.

We associate with President Truman's name the farsighted policies which the administration pursued on European recovery after World War II. And I well recall the talks which I had with Lyndon B. Johnson here in the White House when I was leader of the opposition in 1966. And so we join you and the American people in mourning the passing of these two distinguished predecessors in your high office.

Mr. President, this is the fifth time that we have met since you became President. In our previous talks we have always been able to talk over a very wide range of world affairs and to do so with frankness and understanding.

This was true of my visit here in December 1970 and again when you were able to come to Bermuda just over a year ago. And it is true of the innumerable exchanges which take place between those representing our two countries right down the line. Once again we shall have a great deal to talk about, perhaps more even than ever before.

As you have said, today Britain is now a member of the European Community. And the future relations between that enlarged Community and the United States, good relations which are vital for the whole future of the Western world, will figure prominently in our discussions. Now that we are a member of the European Community, you will not find our interest in the wider affairs of the world any less than it has ever been before. And for my own part, I am quite confident that the intimacy and the frankness of our

exchanges on this occasion will be just as valuable as they have been in the past.

So, Mr. President, I would like again to thank you for inviting the Foreign Secretary and myself and our colleagues here today for these two days of talks, to thank you again for the warmth of the welcome, and to repeat that I believe the talks which we are going to have are going to be of great importance not only to our own two countries but to both sides of the Atlantic and for peace in the free world.

EXCHANGE OF TOASTS

Weekly Compilation of Presidential Documents dated February 5

President Nixon

Mr. Prime Minister and all of our very distinguished guests: My remarks will be brief tonight because I know that all of you, having heard me so often, so much in recent days, will look forward to hearing the Prime Minister.

I said "distinguished guests" very deliberately a few moments ago because as we were making up the guest list for this dinner I found that never have we made so few happy at the expense of so many. [Laughter.] There is always a long list of people who want to come to state dinners, and obviously we would always like to have them all come. But this room, even with round tables, seats only 110 people, and so, out of the list of 8,000 or 10,000 and perhaps then down to 1,000 that "these must come," tonight from California, from New York, from the South, the East, the North, are the 110 most important people in the United States, Mr. Prime Minister, in honor of you. [Laughter.]

They are here from both of our political parties and from all branches of our government because, first, they honor your country, with which we are privileged to be allied so closely in so many different ways, and also because they respect and honor you as an individual, as the leader of that country.

This is the fourth time we have met since you became Prime Minister. It is also the second time that we have had a dinner in this room, and I think I can best describe

how we in America feel about you, the Prime Minister of Britain, in a term that I used, that you may have forgotten, in a note I wrote you very early in your period as Prime Minister when you had had to make a very difficult decision about economic policies. And I noted that it was a decision that without question would not be approved in the immediate future in your country but, in terms of the long-range interests, you had determined was absolutely essential. And I wrote you to the effect that however it came out that I, as an individual and as an old personal friend, admired you for making what I called "a gutsy decision."

The man we honor tonight, and I say this in the company of this group, is really in his whole political career and as now the head of government in his country, a man who has the courage and the farsightedness and the vision to make gutsy decisions whether it is in the economic field or whether it is in the field of foreign policy. He is not blinded by what tomorrow's headlines may be in a negative sense.

He does not allow those headlines and what they might be to blind him to the vision of what the future may be, and that is why all who know anything about Britain's entering Europe know that it would not have happened—this great historic development—it would not have happened had it not been for the Prime Minister and it would not have happened except for the courage that he had, the courage to see that the long-term interest of his country, as distinguished from the short-term problems, would be served by being part of this great European Community which is now into being.

I think we could say that he is one of the prime architects of the new Europe and that the new Europe is an indispensable foundation for what we hope will be a new world, because it will contribute to that new world in which peace and, we trust, progress with freedom will be the watchword in the years ahead.

I think that what I have said indicates the respect that we have in this country for our distinguished guest. I think also what

I have said indicates that as far as we are concerned we consider it a very great privilege to work with Her Majesty's Government and with the Prime Minister and his associates for goals that go deep into our national history, ideals which we share together, ideals which we basically inherited together, and I am sure that this visit will be one that, as we have completed an historic year in the field of foreign policy—a trip to Peking, a trip to Moscow, the end of a long and difficult war in Viet-Nam—that this marks a watershed where we move now to the works of peace. And we move in that area of the world that is indispensable to true peace and progress and freedom in the world, the whole Atlantic community, of which the Prime Minister is one of the truly great leaders.

I know we can honor him most by raising our glasses to Her Majesty the Queen: To the Queen.

Prime Minister Heath

Thank you, Mr. President, for the way in which you have so happily and so wittily proposed the health of the Queen and associated my colleagues and myself with it.

I recall on the last occasion which I dined here, just before Christmas in 1970—the first time I came here as Prime Minister—that I made what I thought was rather a lighthearted speech. It was a Christmas atmosphere, and as tonight, I was enjoying myself enormously. And I thought this microphone here was something to do with some sort of private recording or other you had, and it was only after the whole thing was over that I learned that this goes down beneath this room, to some nether region, where the denizens of the deep carry out some sort of existence—the press and the radio commentators and the social columnists and so on. [Laughter.]

And so I then resolved if ever again I should be invited to address you in this room, I would make a solemn declaration of policy of some kind or other. I wasn't quite clear what. [Laughter.]

I am therefore rather relieved to hear you

in such lighthearted form tonight, and to fill the press once again, I might be allowed to follow your example.

First of all, I must thank you for inviting here tonight the 110 most distinguished people in the United States. It gives me the opportunity tomorrow, the day after, of everybody I am meeting saying, "Well, at least you must be 111th, if not rather lower than that." [Laughter.]

But as always, you have provided us with the most enjoyable hospitality and the most delightful company, and for that we would like to thank you. But of course it is always a pleasure to come here and dine with you and your wife in company like this. And my colleagues and I are very pleased to be back in Washington and to have the opportunity of having talks with you.

Tonight you have proposed the health of the Queen as head of state. Perhaps I may, as a simple politician, also pay tribute to you as a superb politician on a great election victory, which all of us who are politicians certainly envy. [Laughter.] And that is as far as we are likely to get. [Laughter.]

Then, if I may, you have remarked this being a great year—1972—in the field of foreign affairs, and that is undeniably true in every respect from the point of view of the United States and I believe also from the point of view of Britain, in that on the first of January it was crowned with our entry into the European Community. But, it is also, as we have seen, crowned with the end of the war in Viet-Nam. And of course there are so many aspects which occur to us who live outside the United States in this matter, but perhaps tonight I might just be allowed, as a Prime Minister, to refer to one thing, and that is just to express a realization of how great the burdens are which have been lifted from your shoulders, and that of your family, by the agreement which has been secured.

It means so much for America; it means so much for Southeast Asia; it means so much for all your friends, and for your allies, particularly in the way in which it is being carried out.

But I think tonight, above all, one feels

such an enormous burden must be lifted from your shoulders and from all of those who work with you, and to us this also is a great relief, because we know the sort of weight of responsibility which has rested on your shoulders and indeed on the shoulders of your predecessors for this agonizing experience which the United States has passed through.

So we are indeed grateful to you and your colleagues, and perhaps to Henry Kissinger in particular among them, for what you have achieved in these last and strenuous weeks of negotiations, and I would like to thank you and your colleagues for what you have done.

But now we enter onto a new era as you have described in which the enlarged Community is created, and now we have a great future before us in which we are all thinking of the relationship between the enlarged Community, between the new unity in Europe and the United States.

And earlier today I paid tribute to the support which successive American administrations have given to the ideal of European unity, and we must all be grateful to you for that.

After World War II, quite apart from the immense contribution you had paid to victory, you then began the reconstruction of Europe, and all Europe recognizes that it is to the help of the United States, to Marshall aid, to all that flows from it, the present prosperity of Europe is due.

And so history will always say that the recovery of Europe owed so much to the United States, and from that sprang the ideal of European unity and successive Presidents have supported it, knowing it might lead to a certain price to be paid, perhaps in economic matters, that as we developed politically and in foreign affairs there might be differences of views between us. But you and we always had the confidence that these were matters which could be sorted out between us because we had the same ideals, because we were working to the same ends, and that I believe profoundly to be true.

And so now, together, we embark on a

new path, a new Europe, a new United States, freed from the burden of war in Southeast Asia, to work toward a more prosperous and a more peaceful world.

It is not going to be all that easy, because we are dealing with a world in which patterns have become fixed, and on which history has made its imprint.

You, Mr. President, I am told, are an admirer of Disraeli. You have been talking to me about Robert Blake's book, a very distinguished work, which you recently have been reading, and there comes to my mind the recollection at the end of that book he tells the story of Disraeli in the very last days of his life, some six weeks before he died, when a very young enthusiastic man who was one of the earliest forebears of Socialist idealism wrote to the great man saying could he perhaps have an interview. And much to his surprise, he got a reply saying, "Yes," he could.

So he went down to the country to see him in his house, and he was introduced, and there was the great man sitting in his chair with drooping eyelids, very aged, and he didn't rise, but he just beckoned to the young man to sit down. And he said, "Tell me what you have to say."

And so the young man set off in full flower, with great enthusiasm, and he told how he was going to build the new England, what it was going to be like, how quickly it could be done, overnight there would be this transformation. Disraeli had failed to achieve it, but the young man was going to do it, with all his philosophy and his ideals and his practical experience. And after an hour and a half, the young man stopped, and Disraeli then lifted one eyelid and looked at him, and he said, "Young man, you will find that England is a very difficult country to move."

In this, for the politician, there is a lesson that every country, when you start on a process of reform and change, is a very difficult country to move, and Disraeli, with all that he achieved, knew as well as anybody just how difficult it is.

But after all, what is the purpose of poli-

tics, except to change for the better? And so, together in the Atlantic partnership we have embarked on this path. We know we are in a process of change. We are living in a world in which perhaps change has been greater and faster than ever before, and nobody, Mr. President, has appreciated it more than you—the change in the relationship with the Soviet Union, the development of China and all that means for the world, the position of Japan as she emerges a predominant economic power, and now the European grouping in the European Community.

And so we are living in a world in which after 25 years, after the Second World War, the whole pattern of power relationships and relationships of country, our own internal domestic structure and social organization, are changing more rapidly than ever before, and what is needed, if I may say so, is the foresight which has been shown by you, Mr. President, and by your administration.

So we live—perhaps I need hardly say—in a very exciting world. It is still somewhat slow to move when one wants to bring about deliberate change, but nevertheless this is a path on which we have now set out in Europe, and we know that we have the support of all our friends in the United States.

So tonight is a very pleasant occasion for us, for all of my colleagues here. It is very pleasant to meet so many friends and if perhaps as you were introduced to me, I detected perhaps a slight—I won't say bias—but a slight weightiness toward California, perhaps this is something which I understand. [Laughter.] But it is very agreeable to meet so many of you and to find here others who have been friends of very long standing, and to thank you, Mr. President, and your wife, for the always very warm welcome which you give to us British.

My predecessors have loved coming here. Some of them were unwise enough not to come before you took it over. [Laughter.] But this is something which in '76 we are all due to celebrate together.

Our talks which we have had have been not only enjoyable, if I may say so, but in

our usual way, frank and intimate and wide-ranging, covering everything about which we like to discuss together. And for us it is an invaluable experience.

We now come as a member of the Community. It makes no difference to what I once described as our natural relationship, and our friends in the Community recognize this as such.

And so now, the path is together, the Community and the United States, and I would ask you all to rise and drink to the health of the President.

Report on Trade Agreements Program Transmitted to the Congress

Message From President Nixon¹

To the Congress of the United States:

In accordance with Section 402(a) of the Trade Expansion Act of 1962, I transmit herewith the Sixteenth Annual Report of the President on the Trade Agreements Program. This report covers developments during the twelve months ending December 31, 1971.

That year marked an historic turning point in international economic relations. Deepening crises in the spring and summer of 1971 dramatized the obsolescence and inequity of the rules and mechanisms developed at the end of World War II. Against this background, the Administration announced in August a series of measures designed in part to prevent further damage to the United States economic position. More fundamentally, actions were taken to open the way for reforming the world trade and monetary systems through multilateral cooperation.

Concurrently with monetary consultations which led to the Smithsonian Agreements in December of 1971, the United States

opened bilateral discussions with our major trading partners. These discussions yielded valuable reductions during 1972 in a number of foreign barriers to our exports. Even more significant, however, was the conclusion reached among the United States, the European Community and Japan that permanent solutions could only be found through broad-based negotiations. The result of the discussions was an agreement to work actively for the opening in 1973 of a new round of comprehensive negotiations involving all elements of trade policy.

The nations of the world now have the opportunity to open a new era of international relations characterized by negotiation rather than confrontation across the whole range of foreign policy issues.

Our key objectives in reform of the international trading system are to reduce existing tariff and nontariff barriers affecting agricultural as well as industrial products, to establish new rules for the fairer conduct of world trade, and to open new opportunities for the poorer nations to earn the foreign exchange required for their development. Such far-reaching goals can be achieved only within a framework which provides for the equitable sharing of benefits and responsibilities and which includes a safeguard system that allows time for industries adversely affected by foreign competition to adjust to shifts in trade patterns.

Proposals which will enable the United States to negotiate effectively are now under intensive study in the executive branch. In the coming months, the Administration will be working closely with members of the Congress to determine how we can best meet the challenges and seize the opportunities which lie ahead.

I am confident we will be able to establish a new international economic framework within which trade can expand on an equitable basis for all participants—contributing to peace and prosperity for all nations of the world.

RICHARD NIXON.

THE WHITE HOUSE, *January 9, 1973.*

¹ Transmitted on Jan. 9 (White House press release); also printed as H. Doc. 93-41, 93d Cong., 1st sess., which includes the text of the report.

U.S. Urges Modernization of Latin American Institutions

The eighth annual meeting of the Inter-American Economic and Social Council was held at Bogotá January 29–February 9. Following are texts of a message from President Nixon which was read before the meeting on February 1 by Charles A. Meyer, Assistant Secretary for Inter-American Affairs and U.S. Coordinator, Alliance for Progress, who was head of the U.S. delegation, and a statement made by Mr. Meyer that day.

TEXT OF PRESIDENT NIXON'S MESSAGE

DEAR MR. CHAIRMAN: You and your distinguished colleagues in the Inter-American Economic and Social Council have my very warm greetings and best wishes as you begin your examination of the problems of hemispheric cooperation for development in today's world. While this examination cannot be completed in a few days or weeks, the meetings in Bogotá offer an opportunity to make a highly constructive beginning.

The most promising bases for hemispheric cooperation, of course, will be those areas where the interests of our nations already converge. The distinguished Chairman of CIAP [Inter-American Committee on the Alliance for Progress], Dr. Carlos Sanz de Santamaría, has challenged us to seek out these areas of convergence. His words, coming from a thoughtful man who has dedicated himself to the cause of inter-American cooperation, deserve a constructive response.

The Government of the United States looks forward to active participation in this endeavor. I have instructed Charles Meyer, the U.S. representative, and members of his delegation to work closely with you in developing new means of cooperation in this period

of global and regional readjustment. I will read the report of your deliberations with interest, confident that they will enhance our ability to reinforce points of common interest while patiently working to reconcile any differences.

I have been impressed by the increasing ability of the countries of Latin America to marshal resources for their own development and to contribute to the development of other Latin American nations. Though the economic position of the United States has changed, we intend to fulfill our pledge to support your efforts to achieve economic and social development in the hemisphere. You can be sure, too, that my government will consult closely with yours as new international monetary and trade negotiations get underway. It is important that your views as well as ours contribute to shaping the new world order in these areas.

We all realize that we are at the beginning of an historic process—one in which the main elements of the inter-American system are already at work. The General Assembly of the OAS in April will provide us with another invaluable opportunity to help make the system more responsive to our shared needs and aspirations. You can be sure that the United States will continue its commitment to peace and progress in our hemisphere—and that inter-American cooperation will receive priority attention in my Administration over the next four years.

Sincerely,

RICHARD NIXON.

His Excellency
RODRIGO LLORENTE MARTINEA,
Chairman, Eighth Annual Meeting of IA-ECOSOC, Bogotá.

STATEMENT BY ASSISTANT SECRETARY MEYER

Press release 26 dated February 7

Mr. President [Rodrigo Llorente Martine]: Your election as President is deserved above and beyond the traditional role of the host. I and my delegation warmly congratulate you. To have this meeting here is a pleasure for all and a particularly personal one for me. I think you know that my real affection for Latin America was nurtured in this city 20 years ago.

Mr. President, the terrible natural calamity which befell Managua and Nicaragua has shocked us all. It has reminded us of our human frailty and of the basic ties which provide impulse to our collaborative efforts. The vulnerability of our lives on this planet to forces beyond our control underscores the simple wisdom of working together. We are doing so at this time of Nicaragua's desperate need.

Mr. President, it is only two years and some 360 days since the memorable sixth session of the Inter-American Economic and Social Council in Caracas in February 1970—its first substantive meeting in the Nixon administration. Extraordinarily significant events, global in character, have occurred in this short time span, and because all of them will affect all of us in the Western Hemisphere, we meet at an important juncture in the history of the inter-American system. We are well aware of the powerful changes at work and of the fundamental adaptations to these changes taking place in our hemisphere. Our purpose at this conference is to determine whether these adaptations are to occur ad hoc or whether we can anticipate the process of change and therefore harness these forces to our mutual benefit.

This dynamic situation poses a challenge to the member states and to the inter-American system. My delegation welcomes this challenge. We are ready to participate fully with other delegations in responding to Dr. Sanz' and [OAS] Secretary General Galo Plaza's leadership. In the past the inter-American system has shown not only flexibility but also a capacity to improve and to

grow with the times. Improvement in the system or reorganization of its institutional bodies has been on the agenda of virtually every inter-American conference since 1890. We believe our fundamental relationship has moved in a direction which is healthy for all of us. The countries of this hemisphere have made substantial progress in dealing with social and economic development. Every nation has demonstrated increased determination to set its own direction. Whatever our political format, we, the nations of the hemisphere, have responded to the new realities and to changing perceptions by seeking to broaden our economic and political relations with nations outside the hemisphere. The CECLA [Special Latin American Coordinating Committee] document, speaking for Latin America, stresses the need to know the specific objectives of the United States with regard to the inter-American system of economic and social cooperation.

In responding let me first review the immediate past.

In President Nixon's policy address in 1969,¹ and in subsequent actions and statements since, the United States has sought to respond to forces at work in the hemisphere, as well as to the realities which prevail in the United States and in the world economy. Instead of paternalism, President Nixon set forth and defined a policy of partnership between mature and responsible nations in the Western Hemisphere. As part of this partnership, the United States has remained committed to its fundamental undertakings within the inter-American system. And from the outset of this period my government—indeed, my President—declared that we could not always meet all the aspirations and all the needs of our hemispheric partners. We suggested as early as October 1969 that fundamental changes in the international economy could require realistic reappraisal of the effectiveness of a relationship characterized by demand. Thus, major changes were foreshadowed. What has been even more significant has been the rate of change. We agree with the earlier speakers

¹ For text, see BULLETIN of Nov. 17, 1969, p. 409.

at this meeting that the inter-American system might profit from certain reforms; we believe, too, that these reforms should be based on careful thought, clear definition of purpose, and a long-term point of view. The forces at work in the nations of our region and in the international economy are inter-related and are highly complex. They cannot be easily separated any more than any of us can be easily separated from the other. All of us collectively must examine with care how these forces and the concomitant need for reform should be reflected in the way we relate to each other in the hemisphere. Specifically, we must examine if and how our institutions need be adjusted to take into account present realities and future patterns. The reforms that are made in the inter-American system should also reflect its members' determination to share responsibility for the direction and the results of that system. We believe that sharing of responsibility, another way of describing mature partnership, should be reflected in the objectives of the inter-American system and in the way institutions of the systems themselves are reshaped or modernized. This capacity to share responsibility for the success of the inter-American system should be reflected in two additional interrelated ways:

First, the major part of external assistance, both bilateral and multilateral, particularly soft loans, should be directed toward nations at the middle and lower end of the development spectrum; concurrently there should be increased assistance provided by the more advanced nations of the region for the lesser developed members of the system.

Second, shared responsibility should be reflected in attitudes and arrangements which mean that the successes of the system depend upon what all members do, and not exclusively or even principally on the degree of responsiveness of the United States to resource needs of other members.

It would follow naturally from this that we are actively interested in considering, with all other members, ways to integrate the work and structures of different units of our organization so that all available exper-

tise and resources can be more effectively applied to the region's and the members' development problems. The important thing is to agree to move ahead in these areas, and to start now, in this conference, on the extended dialogue which should precede decisions and actions.

Dr. Sanz' 10 points are not only valuable conceptual contributions, but they also reveal how different our work and concerns of the years ahead will be from the agenda of the past decade.²

I believe that as we examine these and other issues we will reaffirm that there are broad areas where our interests do in fact tend to merge. We will also find, admittedly, that there will continue to be areas of difference, and as conflicts are resolved, others will emerge. This is a normal fact of life—in the family, in the community, and between communities. This leads me to reflect that the inter-American system has always had two primary roles: (1) action to further common interests as they are identified and (2) the resolution of conflicts. These twin roles will be no less important to our relations in the future than they have been in the past.

How does the United States fit into this inter-American system of the future? The new administration will bring new faces and new ideas and a fresh look at its policy, domestically and internationally, toward Latin America and other areas, but President Nixon's fundamental thrust toward a fully mature relationship, with both responsibility and responsiveness evidenced by all, will continue.

The United States is committed to a mutually fruitful relationship within the inter-American system, just as you are committed; and we will continue to fulfill our role to the best of our ability. I am confident that U.S. action will result in substantial support of the Latin American countries' own development efforts in the years ahead—in expanding trade and in transfers of capital and technology.

It is worthwhile noting when speaking of

² OAS doc. CIES/1883, Jan. 16, 1973.

expanding trade that U.S. imports in 1972 from Latin America increased by 18 percent over those of 1971, to a total of \$6.2 billion. We have in effective operation a system of prior consultation on actions which may affect Latin America's exports to us. We support the participation of Latin America and other developing countries in the forthcoming multilateral trade negotiations, which we view as highly significant from all our points of view. We have agreed with the other contracting parties to the GATT [General Agreement on Tariffs and Trade] "that the multilateral trade negotiations should aim to secure additional benefits for the international trade of the developing countries so as to achieve a substantial increase in their foreign exchange earnings, diversification of their exports, and an acceleration of the rate of growth of their trade, taking into account their development needs." We believe there exists a broad basis for cooperation in this area. The Special Committee on Consultation and Negotiations has agreed to discuss preparation for these negotiations during 1973.

On a personal note, I wish to refer to the fact that the United States has been charged with some regularity in this forum and its suborgans with failure to live up to its commitments. I cannot accept that charge. To respond to the most oft repeated one, we have kept you informed of the problem of timing relative to generalized tariff preferences. On this I firmly believe we have reached the point of counterproductiveness. Denunciation of past performance, especially considering the circumstances of recent years, just does not promote responsiveness. I urge you to accept this. We remain fully committed to the enactment by the United States of a system of generalized preferences.

In international monetary reform, there are also areas where we can be mutually supportive of each other's goals. We believe that our hemispheric partners have a major contribution to make in monetary negotiations. Accordingly, as you know, we energetically supported membership for Latin American nations on the Committee of 20.

The U.S. Government was the major ex-

ternal contributor of assistance to Latin America for most of the 1960's. In the past few years, the countries of Latin America have increased their reliance upon the major multilateral lending institutions for the bulk of their official external capital assistance.

In recognition of this situation, the United States has channeled an increasing proportion of its loan funds to Latin America through multilateral institutions, particularly the IDB [Inter-American Development Bank]. The total flow of U.S. funds through all channels, bilateral and multilateral, is today at a peak, a fact sometimes lost sight of. In December, the United States formally signed the replenishment agreement under which it agreed to provide \$1 billion to the FSO [Fund for Special Operations]. We have paid in \$275 million already appropriated by the U.S. Congress, and we are seeking the appropriation of \$693 million in additional funds in the coming fiscal year.

With respect to another aspect of capital flows, I welcomed Dr. Sanz' suggestions and comments yesterday morning on the subject of foreign private capital. He is right, as so often is the case. Agreement must be reached, as he put it, "on the establishment of reasonable conditions for the treatment of foreign capital." Foreign private investment must contribute, in Dr. Sanz' words, "to the establishment of a true and enduring peace and a new basis of cooperation for development." The fact that these words encompass an idealistic concept should not obscure the hard pragmatic fact that the region's resource and technological gap cannot be closed solely by public sector transfers.

We are ready to participate in inter-American discussions on this question. We are ready to listen and to present our views. This interchange of ideas and opinions should incorporate both public and private sectors of the hemisphere.

Now what? This is the challenge succinctly posed by Dr. Sanz de Santamaría, Dr. Galo Plaza, Dr. Aristides Calvani [Minister of Foreign Affairs of Venezuela], by all of you at your most recent CECLA meeting, a challenge to the Americas, not solely the United States of America.

Gentlemen, I have referred to interrelationship and complexity as describing the world economy. I for one am taken aback by both the interrelationship and the complexity, both of which seem to grow at geometric rates. And it may even prove to be that as world political relationships become less complex, at least in concept, world economic relationships will become more so. Whether or not this idea has any validity, it is nonetheless imperative that we, the Americas, start now to reexamine the inter-American system in its economic aspects, responding to the challenge of Dr. Carlos Sanz de Santamaría. We must carry out this study on basis of convergence of basic interests, recognizing all the while that the question of modernization of the inter-American system of cooperation for development should not be viewed separately from the inter-American system as a whole. As we do this, I very personally want to pay special tribute to Carlos Sanz de Santamaría, whom I first knew 20 years ago in this impressive city (which was impressively smaller). His dedication to pan-Americanism in the purest sense is known and honored. His act to shorten his term as President of CIAP and the issues raised in his letter of October 11, 1972, have spurred us to face up to tomorrow.

I have spoken in broad terms of some of the principles which will guide the participation of my government in the inter-American system. Although this is not the place for specific detailed proposals, I would like to offer a few concrete suggestions as to the agenda of our work together in the future, consistent with the 10 points which Dr. Sanz has spelled out for us.

We join other delegations in the belief that one of the most fruitful activities in which we could engage would be to direct our concentrated problem-solving attention to issues of common interest. Perhaps we should select three or four of these and mobilize our organization and its resources to tackle them over the next several months. For example, I believe that we can focus even more than in the past on export development and promotion, where significant progress has already been achieved. Follow-

ing President [of Colombia] Pastrana's lead, one or more aspects of urban development would surely benefit from a concerted analytical and diagnostic attack. Much has been written and discussed with respect to the problems of the small farmer and the landless peasant. Surely we could address and sharpen our cooperative attention to this pervasive area of need. I could list other examples (vocational education, tax reform, the importance of labor-intensive technologies in the agriculture sector). But the point made by the Honorable Minister of Planning of Brazil, João Paulo Reis Veloso, is what I am stressing. We should focus our effort. We should select a few concrete, manageable problems and use our organization and its resources to move toward their solution as rapidly as possible.

Clearly we are in transition.

The challenge of economic and social development is no easier than it was 12 years ago. The challenge today encompasses considerations that were not even part of our common vocabulary in 1961 or 2 or 3 or 4 or 5.

That is why this meeting and the search for updated objectives is exciting. However, none of us, nor our predecessors, nor the generation which is ready to succeed us, nor this search, is served by scornful denigration of the Alliance for Progress and its achievements. I realize, as does my government, that this skepticism will not be swept away by words. Nor will the promises to identify and build upon convergent interests be fulfilled simply by articulating them. Partnership—mutuality; these do not flow naturally. We have to work at them. As we work together in the future, I trust that we will agree that our inter-American system, which after all is nothing more nor less than the combined will of our member governments to live and work together as a community, provides the most viable constructive framework for our countries to resolve their differences and to identify and act upon their compatible interests. It optimizes the prospects for accelerating regional and member social and economic development. It enriches our sev-

eral bilateral relations. As my delegation's chief and as a longtime friend, I wish us all Godspeed as we seek to serve, ever more faithfully, the people of the Americas.

TREATY INFORMATION

Current Actions

MULTILATERAL

Arbitration

Convention on the recognition and enforcement of foreign arbitral awards. Done at New York June 10, 1958. Entered into force June 7, 1959; for the United States December 29, 1970. TIAS 6997.

Accession deposited: Denmark (with a declaration), December 22, 1972.

Atomic Energy

Amendment of article VI of the statute of the International Atomic Energy Agency of October 26, 1956, as amended (TIAS 3873, 5284). Done at Vienna September 28, 1970.¹

Acceptance deposited: Holy See, February 14, 1973.

Biological Weapons

Convention on the prohibition of the development, production and stockpiling of bacteriological (biological) and toxin weapons and on their destruction. Done at Washington, London, and Moscow April 10, 1972.¹

Signature: Barbados, February 16, 1973.

Ratifications deposited: Barbados, February 16, 1973; Republic of China, February 9, 1973; Iceland, February 15, 1973.

Customs

Customs convention on the temporary importation of professional equipment, and annexes A, B, and C. Done at Brussels June 8, 1961. Entered into force July 1, 1962; for the United States March 3, 1969. TIAS 6630.

Accession deposited: Cyprus, December 15, 1972.

Fisheries

Protocol to the international convention for the Northwest Atlantic fisheries (TIAS 2089), relating to amendments to the convention. Done at Washington October 6, 1970.¹

Ratified by the President: February 8, 1973.

Ratification deposited: United States (with an understanding), February 8, 1973.

Hydrographic Organization

Convention on the International Hydrographic Organization, with annexes. Done at Monaco May 3, 1967. Entered into force September 22, 1970. TIAS 6933.

Accession deposited: Ecuador, December 26, 1972.

Narcotic Drugs

Convention on psychotropic substances. Done at Vienna February 21, 1971.¹

Ratifications deposited: Finland, November 20, 1972; Sweden, December 5, 1972.

Patents

Strasbourg agreement concerning the international patent classification. Done at Strasbourg March 24, 1971.²

Ratification deposited: Denmark, January 9, 1973.

Safety at Sea

International convention for the safety of life at sea, 1960. Done at London June 17, 1960. Entered into force May 26, 1965. TIAS 5780.

Acceptance deposited: Libya, January 10, 1973.

Space

Convention on international liability for damage caused by space objects. Done at Washington, London, and Moscow March 29, 1972. Entered into force September 1, 1972.²

Ratification deposited: Republic of China, February 9, 1973.

BILATERAL

Brazil

Agreement concerning shrimp, with annexes, agreed minute, and exchanges of notes. Signed at Brasilia May 9, 1972.

Entered into force: February 14, 1973.

Cuba

Agreement on the hijacking of aircraft and vessels and other offenses. Effected by exchange of notes at Washington between the Department of State and the Embassy of Czechoslovakia, representative of the interests of Cuba in the United States, and at Havana between the Embassy of Switzerland, representative of the interests of the United States in Cuba, and the Ministry of Foreign Relations, February 15, 1973. Entered into force February 15, 1973.

Khmer Republic

Agreement amending the agreement for sales of agricultural commodities of January 13, 1972 (TIAS 7269). Effected by exchange of notes at Phnom Penh February 2, 1973. Entered into force February 2, 1973.

¹ Not in force.

² Not in force for the United States.

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Release issued prior to February 12 which appears in this issue of the BULLETIN is No. 26 of February 7.

No.	Date	Subject
*32	2/11	List of civilian prisoners of war released on Sunday, Feb. 11.
*33	2/12	Irwin sworn in as Ambassador to France (biographic data).
34	2/13	Brower: Association of the Bar of the City of New York.
35	2/15	Note containing agreement with Cuba on hijacking.
*36	2/15	Rogers: announcement of hijacking agreement (incorporated in news conference).
37	2/15	Rogers: news conference.
*38	2/15	Entry into force of shrimp fishing agreement with Brazil.
*39	2/15	José Limón Dance Company to tour U.S.S.R. Feb. 23-Mar. 22.
*40	2/16	James Marshall Rogers, Jr., National Teacher of the Year, to tour Mediterranean countries in March.

* Not printed.

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THE OFFICIAL WEEKLY RECORD OF UNITED STATES FOREIGN POLICY

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The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements, addresses, and news conferences of the President and the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and on treaties of general international interest.

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Progress Toward United States Foreign Policy Goals

Statement by Secretary Rogers¹

Almost exactly four years ago I appeared before this committee to set forth some of our major objectives in foreign policy. I said at that time (1) that we would seek a permanent solution in Viet-Nam in which both North Viet-Nam and its neighbors live in peace and not simply in a state of suspended war; (2) that the United States would play an active role in seeking to bring about peace in the Middle East; (3) that we favored an increasingly united western Europe and would cooperate to that end; (4) that we sought development of mutual beneficial relations with eastern Europe; (5) that our policy would include a serious effort to move toward a more constructive relationship with Peking; and (6) that we hoped to make substantial progress toward improved relations with the Soviet Union.

Last year I was able to report to your committee that we had worked with considerable success in the Middle East; that we were withdrawing from the conflict in Indochina; that we were making strenuous efforts both to strengthen cooperation with our friends in western Europe and Japan and to improve relations with those with whom we have fundamental differences, in the Soviet Union and the People's Republic of China; and that the President was intent on building a structure for peace through negotiations.

Progress toward our foreign policy goals has been most encouraging—the latest, of course, being the Viet-Nam agreement.²

In my first foreign policy report I said my greatest hope was that we could help create among Americans a new national unity and purpose in our foreign policy—a policy no

longer haunted by the past, but committed freshly to the opportunities of the future.³ Now, with the major source of division within our country behind us, there is every reason to believe we all *can* work together to restore that common purpose. My purpose here today is to ask that we commit ourselves to that task.

After a long and frequently frustrating military struggle, there may be some longing among Americans to withdraw from the burdens and responsibilities of an active role in world affairs. Twice before in this century our initial reaction was to pull back and concentrate on domestic issues. This time, I believe, we will not make that mistake.

We must avoid the overextension of America's role that has sometimes characterized past policies. But our own self-interest requires us to build the new consensus in our foreign policy upon what I would call a policy of "realistic engagement," a policy under which we continue to carry our share of responsibility even as we ask others to assume the larger roles of which they are now capable.

There may at times be differences of judgment on where the balancing point may be. But I am sure this committee, the Con-

¹ Made before the Senate Committee on Foreign Relations on Feb. 21 (press release 46). The complete transcript of the hearings will be published by the committee and will be available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

² For text, see BULLETIN of Feb. 12, 1973, p. 169. *United States Foreign Policy 1969-1970: A Report of the Secretary of State* (Department of State publication 8575); for an excerpt from the report, see BULLETIN of Apr. 5, 1971, p. 465.

gress, and the American people will share our view that a responsibly and properly involved America is preferable to an America shrinking and withdrawn from a leadership role in the world.

It will be my earnest endeavor in the months ahead to work with this committee and with the Congress to develop a considered and, hopefully, common approach to America's role. Let me begin this process by discussing a few of the major issues with which we are presently faced.

Prisoners of War

We all rejoice at the return of our prisoners of war. Each of us, no matter what our views on the war, must feel a deep sense of pride as we watch them finally coming home. Many of them have already rejoined their families in scenes none of us will ever forget. The 586 Americans on the lists provided us by North Viet-Nam will be released in the 60-day period which started January 27. One hundred and sixty-three of them have already returned, and another group is due for release next week.

While these releases are proceeding, we remain deeply aware of the anguish of the families of our men listed as missing in action. We are therefore pushing ahead with efforts to secure the fullest possible accounting for all these men.

Article 8 (b) of the agreement provides that the parties shall help each other get information about the missing in action, locate and care for the graves of the dead, and facilitate the return of the remains. The Four-Party Joint Military Commission has responsibility for carrying out these efforts, and their work on this subject will continue even after the 60-day period specified for prisoner releases. We are also establishing in Thailand a Joint Casualty Resolution Center manned by U.S. personnel to help obtain information on as many as possible of the missing, including the use of photography and on-site inspection.

The Four-Party Joint Military Commission and the International Commission of Control and Supervision (ICCS) are also

charged with visiting the last place of detention of the released POW's. These visits have taken place in North Viet-Nam as well as in South Viet-Nam. The inspection of the Hoa Lo prison in Hanoi by the ICCS this week was the first time this facility, in which so many of our men have been held, has been inspected by an official impartial body.

We continue to be concerned about our men missing or captured in Laos and Cambodia. The agreement on a cease-fire in Laos should facilitate a complete accounting and the return of all prisoners held in that country. As you know, the Communist side indicated there are no American prisoners held in Cambodia. It goes without saying that we will continue our efforts to secure the fullest possible accounting for all our men missing in all of Indochina.

International Peace Conference

I will leave this weekend for Paris to head our delegation to the International Conference on Viet-Nam. The conference will bring together the four parties to the January 27 peace agreement, the four members of the international supervisory organization, the other permanent members of the United Nations Security Council, and the U.N. Secretary General.

This is an important assemblage, for it encompasses both those parties which have been directly involved in the Viet-Nam conflict and those which have been less directly involved but which have an interest in and capability of making major contributions to a durable peace in that part of the world. We think it is essential that these parties join together to fulfill in the most concrete ways possible the purposes of the conference as set forth in the January 27 agreement. They are:

- To acknowledge the signed agreements;
- To guarantee the ending of the war, the maintenance of peace in Viet-Nam, the respect of the Vietnamese people's fundamental national rights, and the South Vietnamese people's right to self-determination; and

—To contribute to and guarantee peace in Indochina.

What these rather sweeping phrases in the agreement mean is that the participants in the conference should endorse the peace by pledging to respect and support the provisions of the agreement. But we look to the conference for more than a simple endorsement. We believe the conference should take specific steps to establish an effective, continuing relationship between its members and the international supervisory commission now being set up in Viet-Nam. In particular, we believe the International Commission should be asked to keep the members of the conference informed of important developments. We believe this would enhance the stability of the peace and would give substance to the principle set forth in the agreement that the conference should guarantee the maintenance of the peace.

Moreover, we look to the conference to consider what it and its participants can do to assist in bringing a stable peace to Laos and Cambodia, recognizing that the durability of peace in any one state of Indochina depends in part on ending the fighting and keeping the peace throughout the entire area.

We are now engaged in consultations with other conference participants with a view to assuring that next week's meeting yields positive and constructive results. So long as the Vietnamese parties themselves remain determined to make peace work, then other nations will be able to lend their weight—both individually and collectively—on behalf of peace in that region of the world. The forthcoming conference should give important impetus to this effort.

Laos and Cambodia

In Laos, I'm very pleased to be able to confirm that a cease-fire has been signed, which will go into effect after 12 noon Lao time tomorrow, February 22, which is midnight tonight here. The final text of the cease-fire agreement was received just before my coming here, and so I have not had the time to study it in detail. However, it does provide for the formation of a provisional

government within 30 days of the cease-fire and the withdrawal of all foreign forces within 60 days following the formation of the government. The terms of the cease-fire agreement were reached between the Lao negotiating parties without the participation of outside powers and will thus, I hope, be acceptable to all Lao. As a result of the agreement, all U.S. bombing in Laos will halt as of noon tomorrow Lao time at the latest, concurrently with Lao operations on land, in the air, and on water.

The Lao settlement is yet another important step in the overall solution to the Indochina problem. It gives hope for a resolution to the Cambodian situation. However, it must be noted that President Lon Nol's declaration of a unilateral end to offensive operations on January 28 has unfortunately been met by an increase in Khmer insurgent hostilities. There were some early signs that certain elements of the insurgents were considering a positive response to the unilateral action by the Cambodian Government, but these have not been borne out. Let us hope that the progress toward peace in Viet-Nam and Laos may have its effect in creating a momentum toward peace in Cambodia.

Viet-Nam

Some fighting continues in South Viet-Nam, but the intensity of hostilities has declined and most of the actions now reported are on a relatively small scale and have not involved large units of troops. Moreover, we see no pattern of preparations for the resumption of heavy fighting; what is now taking place seems to be in the context of adjustments to the cease-fire agreement and military actions to gain localized advantages in expectation that the fighting will soon come to an end.

We still confidently expect that result and see promise of it in the recently accelerated pace at which the peacekeeping machinery, after some initial delays, is moving into place. The International Commission of Control and Supervision has now sent teams to seven regional sites, is today deploying additional teams to 14 subregional sites, and

agreed yesterday to dispatch yet more teams to 15 additional locations, including the six points of entry for resupply designated by the two South Vietnamese parties according to the agreement. We expect this deployment throughout the country to further depress the level of military activity.

Meanwhile, the Four-Party Joint Military Commission also is in business, has manned seven regional sites, is undertaking, along with the ICCS, official cease-fire inspections, and is beginning to constitute in Saigon an important forum for negotiation between the South Vietnamese Government and the Provisional Revolutionary Government. Thus the provisions of the peace agreement are being translated into reality on the ground, and we draw encouragement from the fact that, despite delays, the trends now are all in the right direction.

Postwar Reconstruction in Indochina

Quite understandably, there is great interest in the Congress in our plans for a postwar program of relief and rehabilitation in Indochina, and particularly for North Viet-Nam, especially in light of the announcement made after Mr. Kissinger's visit in Hanoi.⁴

At the present time major uncertainties prevail on how the peace agreements will be carried out, so that planning remains most tentative. When the situation in Indochina further clarifies, we will consult with the Congress on the outline of a proposed program in which we would seek to relate to the contributions of other nations.

We do believe that a major international reconstruction and development effort conducted under proper safeguards to assure that the aid is used for its intended purposes will give the people in that part of the world a stake in peace and an incentive for maintaining it. As President Nixon has stated, we believe this would be an excellent "investment in peace."⁵

⁴ For text of a communique issued Feb. 14 following a visit to Hanoi by Henry A. Kissinger, Assistant to the President for National Security Affairs, see BULLETIN of Mar. 5, 1973, p. 262.

⁵ For excerpts from President Nixon's news conference of Jan. 31, see BULLETIN of Feb. 19, 1973, p. 193.

We will of course make no commitments without the support of the Congress. We will ask for that support after the most careful planning and when conditions on the ground justify launching a program. In the meantime, ongoing programs in South Viet-Nam, Laos, and Cambodia are meeting immediate short-term needs.

The Middle East

When one compares the situation in the Middle East today with the situation four or even two years ago, there can be no doubt that it has greatly improved in many respects. The cease-fire along the Suez Canal, the result of our initiative in the summer of 1970, is still in effect. In the period since the President's Moscow summit meeting, the risk of major-power confrontation in the Middle East has been substantially reduced. There is greater stability in a number of countries in the area. There has been general improvement in our relations with important parts of the Arab world. Extremist forces in the area, while still a factor to be contended with, have been circumscribed in their ability to disrupt efforts toward peaceful accommodation. It remains our judgment that the parties to the Arab-Israeli conflict who have accepted Security Council Resolution 242 still want a peaceful settlement.⁶

All of our experience in recent years points to the conclusion that progress toward peace will only come when the parties to the conflict have engaged themselves in a genuine negotiating process. If we look across the developing world, the scene of some 50 wars since World War II, the Middle East is the only area in which chronic conflict has yet to give way to the healing process of negotiation. For many months we have sought to convey one fundamental point: that agreement to negotiation requires no change of objectives but only a willingness to look for solutions and a thoughtful approach to the possibility of mutually advantageous accommodations. Great-power capabilities can support efforts toward peace; they cannot impose peace; only the parties can achieve that objective.

⁶ For text of the resolution, see BULLETIN of Dec. 18, 1967, p. 843.

It is in this spirit that we approach the heightened diplomatic activity focusing on the Middle East in which we are now engaged. We have just had most useful talks with King Hussein of Jordan, whose desire for a peaceful settlement was made clear during his visit here and needs no further elaboration. The Egyptian Government and we have agreed to high-level talks, which the President and I will have at the end of this week with President Sadat's Adviser for National Security Affairs, Mr. Hafez Ismail. And we look forward to the talks which will take place next week with Prime Minister Meir of Israel.

We are of course continually assessing the prospects for getting a negotiating process started. This current round of intensive high-level meetings with the principal parties to the Arab-Israeli dispute will further sharpen our understanding of their perceptions of the problem and of the possibilities for forward movement. It would be unrealistic to expect rapid progress or dramatic new proposals, but it is important that a beginning be made. It has appeared to us up to now that the deep differences between the two sides on the basic issues of a final peace are too wide to be immediately bridged. It is for this reason that we have pursued the idea of a patient step-by-step approach in the Suez Canal area which initially would reinforce the cease-fire, result in partial Israeli withdrawal, separate the military forces of the two sides, and open the canal to international commerce. Such a step, we believe, must be linked to Security Council Resolution 242; and it could provide the needed impetus for negotiations leading toward a final overall settlement based on that resolution.

At the same time, we are of course prepared to hear any other thoughts the parties themselves may have. What is most important is to keep attention focused on the goal of moving the situation in the Middle East from the present inherently unstable impasse toward negotiations between the parties to achieve a fair and just peace, with security and equity for all the peoples and states of the area.

Trade and Monetary Policy

An urgent general foreign policy objective is that of making early progress in reformation of the trade and monetary system. Last week President Nixon took the initiative to break a new monetary crisis by ordering a devaluation of the dollar. In doing so he had the cooperation of many countries—particularly the two countries whose reserves of dollars are highest, Germany and Japan.

The monetary measures we have taken were an important step in realigning our economic relationships. But they were not a panacea. They must be followed by basic changes in the monetary system.

The President and Secretary [of the Treasury George P.] Shultz have outlined the principles which we believe could provide such a system.⁷ It is important for the group of 20 countries to proceed expeditiously to this end.

Within a few weeks President Nixon will submit to the Congress the proposals for comprehensive trade legislation to which he has already referred. Their main immediate goal will be to improve the ability of American workers and businessmen to compete in world markets. Their long-range objective will be to further expand and liberalize the terms of international trade.

In bilateral discussions, and in the formal trade negotiations beginning this fall, we will insist that American products be given fair and reasonable treatment. The authority which the President will be seeking from the Congress to raise tariffs in particular cases is designed to achieve that purpose, not to bring about increased barriers to trade. In fact our objective is quite the opposite.

Raising rather than lowering barriers to trade will not be the road of greatest economic or political benefit, to us or to any of our trading partners. That road can lead to international recrimination, isolation, and autarky. In the long run the greatest advantages will come by progressively lowering tariff and nontariff barriers—on a fully reciprocal basis—on both industrial and agricultural goods to the point where they

⁷ For background, see BULLETIN of Nov. 20, 1972, p. 457.

form no appreciable impediment to trade.

While the industrialized nations still dominate international economic relations, the less developed nations are also becoming increasingly important—in energy and raw material supply, in trade and investment, and in a variety of other fields, from uses of the oceans to preservation of the environment. At the same time the gap in economic standards is continuing to widen, not to lessen. In that fact lies the root of potentially serious future problems between developing and developed states.

We therefore intend to place a new emphasis upon comprehensiveness in our development policy—pursuing a policy not merely of aid but one encompassing all aspects of the developed world's economic relations with the developing world. Our object will be to work with both developed and developing countries to accelerate the per capita rate of growth of the poorer nations while advancing mutual interests in expanded trade and investment.

I have asked the new Under Secretary of State for Economic Affairs, William Casey, to apply the full resources of the Department to this task by coordinating such diverse elements as restraints on population growth, international investment, trade expansion, preferences, commodity agreements, grant and loan assistance, and debt relief.

The European Community and East-West Relations

Economic advances—with strong political implications—have also been the dominant stimulus behind the President's focus upon 1973 as a year of important developments in our relations with Europe. The enlargement of the European Community presents us with both a challenge and an opportunity. We will endeavor this year to establish such lasting and concrete ties with the Community that our relationship will become another pillar of U.S.-European cooperation.

We must also achieve an early elimination of practices within the Community which are discriminatory against our products. We will be pursuing this objective in our talks with them prior to this fall's trade conference.

Improved relations with eastern Europe will also be important. We already are deeply engaged with our western European allies in a vigorous common effort to lower barriers to Europe's sense of unity through increasing the flow of human contacts, information, and trade with eastern Europe. The progress of preparatory talks for the Conference on Security and Cooperation in which these subjects will be principal elements has been encouraging. We look for meaningful results in the negotiations this summer. And we intend to further this process bilaterally by improving our own relations with eastern Europe, notably through achieving progress with Czechoslovakia and Bulgaria similar to that already made elsewhere.

We are accompanying these efforts by a policy of further security improvements through arms controls. Of central importance, of course, are the strategic arms talks. We are encouraged by Chairman Brezhnev's [Leonid I. Brezhnev, General Secretary of the Soviet Communist Party] recent public reference to a "gradual reduction" of strategic weapons to hope that reductions can be achieved in the agreement now under consideration.

Exploratory talks began a few weeks ago on a mutual and balanced reduction of forces in central Europe. Full-scale negotiations are scheduled to begin in the fall. Technically complex but simple in concept, reductions in the forces that have so long faced each other in central Europe would augment reductions in strategic arms and further contribute toward détente and peace in Europe. In the meantime it is important that we not unilaterally reduce NATO's defense capabilities.

Mr. Chairman, at a time when so much of our attention is still directed to one issue—Indochina—it is important that we recognize the broad range of our progress in a host of other areas. I have touched briefly today on a number of matters which concern us, and in doing so I have noted some unsolved problems. I have tried also, however, to place these problems in proper perspective and to note how far we have come in just four years.

The committee is fully aware of develop-

ments in our relations with the Soviet Union and the People's Republic of China. In less dramatic but in the long run equally important areas such as pollution, population growth, drugs, ocean resources, hijacking, and terrorism, we have devoted much time and effort. Mr. Chairman, we can all be proud of our record in these last four years, and I know that under President Nixon's leadership the next four years will mark a period of continued progress toward our goal of a world of peace.

King Hussein of Jordan Visits Washington

King Hussein of Jordan made an unofficial visit to Washington February 5-7, during which he met with President Nixon and other government officials. Following is an exchange of toasts between President Nixon and King Hussein at a dinner at the White House February 6.

Weekly Compilation of Presidential Documents dated February 12

President Nixon

Your Majesties and our very distinguished guests: As we sit here at this table tonight, my thoughts go back, and Mrs. Nixon's thoughts, Secretary Rogers' thoughts, particularly go back to the year 1959 when His Majesty first came to this country as the King of Jordan and was received here by President Eisenhower.

I was trying in my mind's eye to think of that evening; the tables were somewhat like this. President Eisenhower was sitting in this place, and His Majesty was sitting in this place. And as Vice President, I perhaps was sitting a couple of places over, and Mrs. Nixon here, Secretary Herter further down the line.

I recall particularly that evening President Eisenhower, in the private conversation before the dinner began, expressed his great admiration to me of His Majesty and for the courage of this very young King. He was only 24 then. He is still a young King. He is 37 now. But I also remember that some of

the intelligence reports that we received, not from our own government, but from other governments, indicated that he wouldn't last long. [Laughter.] There were too many troubles in Jordan. It was a country that had forces that would split it apart and here was the young King, whose grandfather had been assassinated, who had seen his country torn by strife, here in the United States in 1959 being toasted by President Eisenhower, the then leader of the free world, 14 years ago.

He did last. President Eisenhower, President Kennedy, President Johnson, have all passed on, and our distinguished guest still lives. He is here as the head of a country that has had very difficult problems. It has had great threats from within and from without, but it has survived because of one man—the man we honor tonight, a man who has been honored at this table before at dinners that President Eisenhower gave, and President Johnson, and in my first term in 1969, right here at this table.

And it is his courage, the fact that at times when it appeared that extremism was the way to popularity, he stood for moderation and responsibility. At times when it appeared that timidity was the best way to be safe, he stood for courage. He was the symbol that kept this small country, with its very brave people, alive, strong, independent, in the heart of the Mideast.

And that is the reason why all of our guests, from all over the United States tonight, are very proud to be here in the company of Your Majesty and also of your Queen. We are very proud to welcome her for the first time to this house, and we claim a bit of her. While she has lived in all of the great capitals of the world or most of them—in Rome, because she came from a great diplomatic family, in London, in Ankara, of course in her own country, and she has visited most of the capitals of the world—she also has lived in New York and at least a part of her worldwide education was at Hunter College in New York City. So, whatever her virtues are, Your Majesty, we claim. [Laughter.] And we know they are many. And we are honored that both of you were

able to come to our country on this occasion.

I would simply say in concluding the toast to His Majesty's health, as is the custom on such occasions, that it was once written that as far as greatness is concerned, that some men are born to greatness, others achieve it, and others have it thrust upon them. Our very distinguished guest this evening was born to greatness, in a great royal family. He had greatness thrust upon him at a very young age—17 years of age—he became King of his country and he bore that responsibility with dignity and great courage.

But we honor him tonight because he achieved greatness, achieved greatness in all the years he has ruled his country with such courage and stability and moderation, in a part of the world that could otherwise explode into violence and extremism.

All of us tonight are dedicated to his hope and our hope of a real peace in the Mideast, a peace for which he has worked and for which we are working. And consequently, tonight, we honor him because he has sought that peace; he has stood for it against those elements that might not perhaps have supported it, and we honor him also for the courage that he has displayed throughout his life as the King of his country, a country that we are proud to be allied with in friendship and allied with also in the ideals that we support of peace and freedom and independence for all nations in the world.

It is in that spirit that I ask you to rise and raise your glasses to His Majesty the King of Jordan: The King.

King Hussein

Mr. President, Mrs. Nixon: It is really a great pleasure and a tribute for me to be once again in the United States and in particular as your guest here.

You have brought to my mind, with your kind words, many, many memories of the years that have passed, of the years through which I was privileged to serve among the people who have given me pride in serving them and to strive with them and, with their help and support, to uphold the ideals and

principles that are ours and yours in every way and in every respect.

As for the friendship that has always existed between our nations, to us in Jordan, who have seen it grow, have striven to see it grow, in every field and in every area, with pride, as we indeed have always been proud to belong to the same family of free people.

If Jordan has survived, it was because the people of Jordan, as a whole, have inspired me, but more than that, shared with me my beliefs and my convictions and also shared with me the same hopes for a better future in that part of the world and in the world as a whole. It has always been a privilege for me to visit the United States. I have always been overwhelmed by the great kindness, the friendship, the interest, the sympathy of my friends in the United States throughout the years that have passed and for the support we owe a great debt in many times of difficulty and crisis.

As for the present, sir, we have watched the tremendous efforts of you, your good self, Mr. President, not only at the helm of the greatest nation on earth, but your efforts for a better world, a world of understanding and friendship and cooperation.

In many ways we have shared with the people of the United States their pride in you. Your victories have been ours. As we have worked closely together in the past, we promise you what we have promised ourselves, that we will do our utmost in our part of the world to present the future generations with something that is worthwhile.

We feel in our part of the world—I feel personally that my life in itself is probably spent, if it means anything to me at this stage, it means as much as I can give them or make in the way of a contribution for a better future for them, a future of peace with honor, a lasting peace that can enable them to live with it, to develop the potential that is there, to have a better life.

This is your dream, sir, that you are turning into a reality, as far as the world is concerned. This is our dream in our part of the world. We will do our utmost and we are

indeed proud to have the same objective, to share it, as we are proud of our friendship, and will always be.

I can only pray that I live up to the expectations always of my people, plus of my friends, and no words can come easily to me by which I can express our very deep gratitude, sir, for all your kindness to us, on behalf of my wife and all the members of the Jordanian group here tonight and to Mrs. Nixon, for your kind hospitality, for your kind words which come from your heart, sir, for the friendship of which we are so proud.

We wish you continuous success, sir, and we pray for your continuous success in leading the people of the United States, this greatest of nations and in serving mankind the world over.

Once again, sir, our deepest and sincerest gratitude, our pride in you, and our everlasting friendship.

Ladies and gentlemen, I would like you to join me in raising your glasses to drink a toast to the President of the United States.

Foreign Assistance Legislation Transmitted to the Congress

Following is the text of a letter dated February 7 from President Nixon to Speaker of the House Carl Albert.¹

Weekly Compilation of Presidential Documents dated February 12

DEAR MR. SPEAKER: I am forwarding herewith a draft of proposed legislation "To amend the Foreign Assistance Act of 1961, and for other purposes." This legislation would authorize appropriations for fiscal year 1973 for international security assistance and for relief assistance in Bangladesh, make appropriations available for disaster relief

in the Philippines, and make our military assistance more effective. These proposals are the same as those I presented to the Congress last year.

Foreign assistance plays an indispensable role in the achievement of our foreign policy and national security goals. Because the last Congress did not take final action on the legislative proposals before it or on foreign assistance appropriations, these programs have been operating for almost seven months under a continuing resolution providing temporary appropriations. The delay in enactment of authorization and appropriation bills has created uncertainties among our friends and allies as to our resolution and willingness to provide essential economic and security assistance. Yet this is precisely the time when confidence is most needed in our commitment to continuing our efforts to build a lasting structure of peace.

In the conviction that the timely and full support of these programs on the part of the Congress is in our own national interest, I urge the Congress to give early and favorable consideration to the legislation I am transmitting today.

Sincerely,

RICHARD NIXON.

Congressional Documents Relating to Foreign Policy

92d Congress, 2d Session

The Faces of Africa: Diversity and Progress; Repression and Struggle. Report of special study missions to Africa. Submitted to the House Committee on Foreign Affairs. H. Rept. 92-1598. October 13, 1972. 484 pp.

Anti-Hijacking Act of 1972. Conference report to accompany S. 2280. H. Rept. 92-1599. October 13, 1972. 2 pp.

U.S. Assistance Programs in Vietnam. Report by the House Committee on Government Operations, together with separate and additional views. H. Rept. 92-1610. October 17, 1972. 112 pp.

¹ An identical letter was sent to President of the Senate Spiro T. Agnew.

President Nixon Discusses Viet-Nam Peace Agreement Before South Carolina State Legislature

Following are excerpts from an address made by President Nixon before a joint session of the South Carolina General Assembly at Columbia on February 20.

Weekly Compilation of Presidential Documents dated February 26

I had not realized until the Governor had introduced me so eloquently that this is the first time that a President of the United States has stood in this place. I am honored to be here for that reason, and I am also honored to be here because this is the first State legislature in the Nation which passed a resolution supporting the peace settlement in Viet-Nam.

Now I would like to turn to the settlement, which has been discussed at considerable length, probably, on the floor of this chamber when the resolution was passed and also throughout the country since that settlement was announced. I should like to speak to you quite candidly about the settlement in terms of what it really means—what it means to America, what it means to the people of South Viet-Nam, and what it means to the world.

In referring to that settlement, I think it is important for us to note that I have often used the term “peace with honor.” What does peace with honor mean? And here we go back into the long history of this terribly difficult war, the longest in this Nation’s history.

Because the war has been so long, and because it has been so difficult, there is a tendency for us to forget how the United States became involved, and why. It would be very easy now, looking back, to point out the mistakes that were made in the conduct of the war, to even question whether or not

the United States should have become involved in the first place. But let us get one thing very clear: When, during the course of President Kennedy’s administration, the first men were sent to Viet-Nam for combat, when, during the course of President Johnson’s administration, others were sent there to continue the activities in the military area, they were sent there for the most selfless purpose that any nation has ever fought a war.

We did not go to South Viet-Nam, and our men did not go there, for the purpose of conquering North Viet-Nam. Our men did not go to South Viet-Nam for the purpose of getting bases in South Viet-Nam or acquiring territory or domination over that part of the world. They went for a very high purpose, and that purpose can never be taken away from them or this country. It was, very simply, to prevent the imposition by force of a Communist government on the 17 million people of South Viet-Nam. That was our goal and we achieved that goal, and we can be proud that we stuck it out until we did reach that goal.

Now, the question, of course, will be raised by historians, the instant historians of the present and those who look at it in the future and attempt to evaluate this long and difficult war. Was the purpose worth it? Was the sacrifice worth it? Only historians in the future, perhaps, will be able to judge that accurately; but we, at this time, and you, I know, as you passed your resolution, must have considered the alternatives.

We had alternatives. I recall when I first became President there were those of my own party who suggested that, after all, I had not made the decision that involved the United States with combat troops in Viet-

Nam in the first place and therefore, from a political and partisan standpoint, the better course of action and the easy course of action was to get out of Viet-Nam, to bring our men home, and to bring them home and to get our prisoners of war back regardless of what happened to South Viet-Nam.

That would have been a rather easy position, politically, to take. On the other hand, when we examine it for what it really meant and could have meant to the United States, we can see why I had to reject it and why the people of the United States have supported that rejection during the four years which finally ended with the peace settlement.

If, for example, the North Vietnamese would have accepted the proposition of returning our prisoners of war simply for our getting out our own troops from Viet-Nam—and that is a highly doubtful proposition—but if they had, let us see what it would have meant.

We would have fought a long war. We would have lost tens of thousands of Americans who were killed in action, and we would have fought it for what purpose? Only to get our prisoners of war back. If you wonder whether or not that purpose would have been adequate, let me say that a letter that I received from a mother in California perhaps will answer the question.

As a mother of a young man who gave his life in this war, I felt very strongly about wanting an honorable peace agreement. Had you agreed to anything less, you would have let down not only the boys remaining in Viet-Nam, but also those who died in this war. It was difficult enough to accept our son's death, but to know it was all in vain would have been even more a tragedy. We feel that our son James would have felt as we do, and would have supported your policy.

I say to the members of this assembly gathered here that James did not die in vain, that the men who went to Viet-Nam and have served there with honor did not serve in vain, and that our POW's, as they return, did not make the sacrifices that they made in vain, and I say it because of what we did in Viet-Nam.

It is my firm conviction that the United States can now exercise more effective leadership in the cause of world peace, which the

Governor has so eloquently described a moment ago. On this occasion, I think it is well for us to think of a number of people whom we should honor today. We, of course, should honor our prisoners of war, who have come back after their great ordeal standing tall, proud of their country, proud of their service.

We should honor also those who have died, and in honoring them, let's honor some of the bravest women this Nation has ever seen, the wives, the mothers, not only of the POW's, but of those who died, the mother of a boy like James.

And finally, let us honor the 2½ million men who served, who did not desert America, but who served, served in a difficult war, came back, often not with honor in terms of what they found from their neighbors and friends, but came back to what could have been a rather discouraging reception.

Now that we have brought an end to the war, let us honor them all; and the way to honor them, I say, is for us to work together to build a lasting peace in the world, a peace that can last not only in Southeast Asia, but a peace that the United States can help to build for this whole world in which we live.

Ending a war is not unusual for the United States. After all, in this century we ended World War I, we ended World War II, we ended Korea, and now we have ended the American involvement in Viet-Nam. The critical question is: How do we end a war and then go from there to build a peace? And I address that question in relationship to this war for just a moment.

The year 1972 saw some historic breakthroughs in terms of America's search for peace along with other nations: the opening of the dialogue with the People's Republic of China, with leaders who represent one-fourth of all the people who live on the face of the globe; the discussions that took place in Moscow last May and early June, discussions which led to a number of agreements, but particularly an agreement between the two superpowers to limit nuclear arms, the first step toward arms limitation—and, of course, more talks will take place this year with the leaders of the Soviet Union.

Now, when we consider those great events,

the opening to China, which we are already beginning to develop, as you have noted in your papers recently, the opening with the Soviet Union of the discussions that can lead eventually, we trust, to arms control and perhaps further down the line to reduction of the nuclear arms that burdens us, burdens them, and threatens the whole world with destruction—as we look at those great events, combined with the end of the war in Vietnam, there could be a tendency for us to sit back and assume that we are going to have peace, instant peace, because of these new developments. What we must recognize is that we would not have had the kind of fruitful and constructive discussions that we had with the Soviet Union, and in my view we would not have had the opening of the dialogue with the People's Republic of China, unless the United States had been strong—strong not only in its arms, but also unless the United States had been strong in terms of its will, its determination.

A nation which is strong militarily and yet is not respected is not a nation that is worth talking to. America is strong militarily, and America has demonstrated by its willingness to stand by a small, weak country until we achieved an honorable peace that we deserve, first, the trust of our allies and the respect of our potential adversaries in the world. And that, again, gives us a reason why we can look back on this long and difficult war and say that American men sacrificed—some their lives, some long imprisonment, and some away from home in a land which most of them did not know—that Americans have made that sacrifice in a cause that was important not just for Vietnam, but for America's position of leadership in the whole world: because America comes out of this long and difficult struggle strong militarily and respected in the world.

Had we taken another course, had we, for example, followed the advice of some of the well-intentioned people who said, "Peace at any price. Get our prisoners of war back in exchange for withdrawing." had we taken that course, then respect for America, not only among our allies but particularly among those who might be our potential adversaries,

would have been eroded, perhaps fatally.

And so I say to you here today as we look to the future, the chances for us to build a peace that will last are better than they have been at any time since the end of World War II. We will continue the dialogue with the Soviet leaders; we will continue the dialogue with the People's Republic of China; and in this year ahead we will renew discussions that we have been having in the past with our friends in Europe and in other parts of the world, because as we talk to those who have been our adversaries in the past, we must not overlook the vital necessity of strengthening the bonds we have with our allies and our friends around the world.

But as we conduct those discussions, I would urge upon this legislative body what I have often urged upon the Congress of the United States: Let us be sure that as the President of the United States and his representatives negotiate with great powers in the world, let us be sure that he never goes to the negotiating table representing the second strongest nation in the world.

Because America is strong and has been strong, we have been able to negotiate successfully. We must maintain our strength and, of course, we will reduce it, but it must be on a mutual basis and not on a unilateral basis, because reducing unilaterally would remove any incentive for others in the world to reduce their strength at the same time.

Having spoken of military strength, let me also speak briefly of other kinds of strength that we need if we are going to build a world of peace and if America is going to continue the great role that we are destined to play as we near our 200th birthday as a nation.

It is essential that government—and here in this legislative chamber all of us are participants in the role of government—it is essential that government in America be strengthened in terms of being more responsive to the people.

By that I mean that government must get closer to the grassroots, and by getting closer to the grassroots, what I am very simply suggesting is this: For much too long, power has been flowing from the people, from the

cities, from the counties, from the States, to Washington, D. C. And that is why, beginning with an historic move on revenue sharing, and in other areas, I feel firmly we must turn it around and that power should flow away from the concentration in Washington back to the States and the people. That is where it belongs, and that is where it is staying.

Let us also remember that if America is to play the kind of a role that it must play and we want it to play, we need to be a united country. By being a united country, that doesn't mean that we agree on everything. It means that we have disagreements between parties, disagreements on a number of issues. That is the very essence of a free society.

But let the time be gone when this country is divided—region against region, North versus South, race against race, black versus white, one economic group against another, labor versus management, simply because they are members of different groups. Let the time be gone when we divide Americans by age, the old against the young; in terms of what they produce, the city against the farm.

It does not mean that we all have the same interest. It does not mean that we do not have areas where we disagree. But what it does mean is that this Nation, when the great issues are involved—the security of America, the honor of America—let us speak of those issues and speak to those issues as one united people.

In that connection, as I speak for the first time as President of the United States to a legislature in the South, one of the things I am most proud of during the time I have served as President, and during the three times I have had the great honor to run for President, is that I have never divided this

country North against South, East against West, one region against the other.

I believe this is one country, and let us all work to make it one country, because it is one United States of America that can lead the world to peace, the kind of peace that all of us want in the years ahead.

Finally, today, if we are to play the role that we are destined to play, we need faith. I think that the faith of all Americans was restored by what we have seen in the past few days as our prisoners of war came down the ramp of those planes and set foot for the first time on American soil, some of them after six, seven years of imprisonment.

You wonder how this nation, or any nation, could have brought into life men who would be so strong, men who could endure so much. And the important thing is, as we saw them come down those stairs, they came down with their heads high, proud of their country, proud of what they had done, and that is another reason why peace with honor was so vitally important. Because if this war, long and difficult as it was, had been ended solely for the basis of obtaining their release, you can see that for them it would have been the greatest disappointment.

I close with a message from one of them. When he sent this cable to me a few days ago, he did not know, and could not have known, that I would be addressing the South Carolina State Legislature today. The cable was to me, but as you can see as I read it, it is to all of you as well. It is from Robert N. Daughtrey, Major, U.S. Air Force.

"My faith in our fellow Americans never faltered. Thank you for returning us with honor. I assure you we returned filled with pride and faith in the future.

"God bless you. God bless America."

Vice President Agnew Visits Southeast Asia

The White House announced on January 26 that Vice President Agnew would depart Washington January 28 to meet with South-east Asian leaders. His itinerary included South Viet-Nam (January 30–February 1), Cambodia (February 1), Thailand (February 1–3 and 4), Laos (February 3), Singapore (February 4–6), Indonesia (February 6–7), Malaysia (February 7–9), and the Philippines (February 9). Following are statements by the Vice President released during the trip.

ARRIVAL STATEMENT, SAIGON, JANUARY 30

I am honored to return to South Viet-Nam, this time to discuss postwar relations with President Thieu and other members of the Government of the Republic of Viet-Nam. I bring with me warm greetings from the President and people of the United States.

Before beginning these important consultations let me reaffirm briefly the position of the United States on certain key elements of the agreement:

—First, we recognize the Government of the Republic of Viet-Nam as the sole legitimate government of South Viet-Nam.

—Second, we do not recognize the right of any foreign troops to remain on South Vietnamese soil.

—Third, as the President said on January 23, we shall do everything the agreement requires of us and we shall expect, and indeed insist, that the other parties do everything it requires of them.¹

The agreement signed last Saturday is a notable achievement built on the enormous sacrifices of the South Vietnamese and American peoples. It would not have been possible were it not for the mutual trust which has characterized our partnership.

We look forward to working with the people and Government of South Viet-Nam as partners in peace as we have been allies in war.

I might add that, not unexpectedly, the establishment of smooth-working cease-fire machinery has already struck several procedural snags. These are not surprising when one considers the long conflict, the suspicion and animosity that have divided the parties in the past, and the complexity of moving from a period of military struggle to political competition.

I am confident that these obstacles can be overcome. At this delicate stage, it will certainly be a contribution to the cause of peace if all the parties, as well as interested observers in major capitals of the world, show patience and a positive attitude.

Such an attitude, together with our continued confidence, can serve as a catalyst to the cause of peace which we all share. Pessimism and a negative approach can only complicate the task before us.

DEPARTURE STATEMENT, SAIGON, FEBRUARY 1

I have just completed two days of candid and comprehensive discussions with President Thieu and other members of the Government of the Republic of Viet-Nam on the subject of postwar relations between our two countries.

Throughout our consultations I was deeply impressed by the confidence with which the South Vietnamese Government is approach-

¹ For President Nixon's address to the Nation on Jan. 23 and the text of the Agreement on Ending the War and Restoring Peace in Viet-Nam signed at Paris Jan. 27, see BULLETIN of Feb. 12, 1973, p. 153 and p. 169.

ing the challenges it faces. In my meetings I assured President Thieu and his advisers of the strong and abiding interest of the United States in the security and well-being of South Viet-Nam. I also conveyed the admiration and respect of the people of the United States for the dedication which the South Vietnamese people have shown in defending their country and the sacrifices they have made in securing their right to decide their own future.

Before I leave the Republic of Viet-Nam I would like to express my deepest thanks to President Thieu and his government for the cordial hospitality they have shown me and the members of my party. Our welcome was another example of the friendship that has marked our relations for so many years and which will continue to be the basis for our ties in the future.

DEPARTURE STATEMENT, PHNOM PENH, FEBRUARY 1

My visit to the Khmer Republic has given me an extremely valuable opportunity to renew relations with the Khmer leadership and obtain the latest picture of the situation in Cambodia.

In my conversations with President Lon Nol and other Khmer leaders, I reaffirmed U.S. respect for Khmer independence, unity, sovereignty, and territorial integrity. I also conveyed our intention to provide continued support to the Khmer Republic. Peace will be incomplete in Indochina until a formal cease-fire is achieved here and all foreign forces are withdrawn from Cambodia.

DEPARTURE STATEMENT, VIENTIANE, FEBRUARY 3

My visit to the Kingdom of Laos has given me the opportunity to review the current situation with Prime Minister Souvanna Phouma. In our discussions I assured him of continued U.S. support for his government's policies of national reconciliation and neutrality and efforts to achieve a negotiated settlement in Laos. I was also able to express continued U.S. interest in assisting Laos in

the post-hostilities period, together with other friends of Laos.

We shall maintain our respect and support for Lao independence, sovereignty, territorial integrity, and neutrality as set forth in the Geneva agreement of 1962. We shall also scrupulously respect the provisions concerning Laos in the January 27 Agreement on Ending the War and Restoring Peace in Viet-Nam, and we intend to insist that all other parties concerned approach their obligations in the same manner.

We have firm reason to expect that a cease-fire will be achieved in Laos in the very near future. This will be a welcome step toward the restoration of peace in this country and will permit the people of Laos to begin to turn their attention toward the many constructive tasks before them.

DEPARTURE STATEMENT, BANGKOK, FEBRUARY 4

I am pleased to have visited Thailand once again and to enjoy Thai friendship and hospitality. During my brief visit, I was honored to have an audience with His Majesty the King and to hold cordial and candid discussions with Prime Minister Thanom and other government leaders.

As we have cooperated closely in bringing about the conditions which allowed a cease-fire in Viet-Nam, we must now work together to build a community of strong, thriving, and free nations.

The finish to fighting in Viet-Nam will not end a role for us in Southeast Asia, but only change it. We intend to contribute to the rehabilitation of war-torn areas and to the development of other nations in the region. We continue to believe that mutual strength is vital as a deterrent to armed aggression. To this end we will continue to assist Thailand in maintaining its independence and strength.

The end of fighting will allow both our nations to devote increased attention to multilateral social and economic problems. The recent success of the Thai Government campaign against international narcotics trafficking is an encouraging case in point.

I am further honored on this occasion to convey the good wishes of President Nixon and the American people. The bonds of friendship between our two governments can only be strengthened by the promise of peace in Indochina.

**DEPARTURE STATEMENT, SINGAPORE,
FEBRUARY 6**

This, my third visit to Singapore in three years, gave me the opportunity to see once again evidence of your remarkable progress and prosperity. As always, I am grateful for your warm hospitality. Although my visit was brief, it was both enjoyable and profitable.

I had the opportunity to meet with President Sheares and to hold very fruitful and candid discussions with Prime Minister Lee and other Singapore Government leaders. Our talks covered a wide range of subjects, including current developments in the future of Southeast Asia. I reaffirmed the determination of the United States to honor its existing commitments and to continue its interest and involvement in this part of the world.

The end of the war in Viet-Nam should mean that more attention can now be focused on the economic and social problems of the region. We intend to cooperate with Singapore and other nations to build a strong, stable, and free Southeast Asia.

It is my privilege to convey to the leaders and people of Singapore the best wishes of President Nixon and the American people for a happy and prosperous New Year.

DEPARTURE STATEMENT, JAKARTA, FEBRUARY 7

As I leave Jakarta let me express my deep appreciation for the courteous reception and warm hospitality which you have extended to me and my party. My informative discussions with President Suharto, Foreign Minister Malik, the Sultan of Yogyakarta [Hamengku Buwono IX, Minister of State for Economic, Financial and Industry Affairs], General Panggabean [Gen. Maraden Panggabean,

Minister of State for Defense and Security Affairs], and other Indonesian leaders have deepened my understanding of the hopes and concerns of Indonesia in the new period begun by the signing of the Paris agreements.

I assured Indonesia's leaders that the United States will continue its presence and vital interest in the region and honor its commitments. I also stressed the importance of the actions taken by the Southeast Asian nations themselves in promoting stability, progress, and peace in the area. Indonesia has set a fine example. It has ended the conflicts of the past, sought friendship with its neighbors, and provided its services in the international peacekeeping effort in Viet-Nam. Indonesia will receive our understanding and support as it plays its important and demanding role in the future.

It is my privilege to extend to the government and people of Indonesia the personal greeting and best wishes of President Nixon as you move to meet the challenges ahead.

**DEPARTURE STATEMENT, KUALA LUMPUR,
FEBRUARY 9**

It has been a great pleasure for me to return to Malaysia during the course of this visit to Southeast Asia to discuss America's relations with the nations of this area following the cease-fire in Viet-Nam. Even in the short space of two days, I have been tremendously impressed by the obvious economic progress and the social development of your nation. Malaysia has moved forward substantially under imaginative leadership.

Hopefully, a new era of peace and stability in Southeast Asia is on the horizon. To support this evolution the United States intends to continue its active role in this part of the world, according to its treaty commitments, and to provide the necessary aid to advance economic development and assist in the reconstruction of the war-torn lands.

In frank and friendly discussions with Prime Minister Razak and leaders of his government, I have found a basic harmony of views between the Malaysian Government and ours regarding the future evolution of

international relations in Southeast Asia. We are both committed to the maintenance of peace and sovereignty and the encouragement of regional cooperation among the nations of Southeast Asia.

I have been most impressed with cooperation already evident among the ASEAN [Association of Southeast Asian Nations] nations, in which Malaysia has played such a prominent role, and I hope that as peace returns to Indochina those nations also may expand their roles in this regional development.

In conclusion I express warmest thanks to Prime Minister Razak and members of his government for the frank and cordial spirit in which they entered into these discussions and for the very generous hospitality extended to me and my party during the past two days.

DEPARTURE STATEMENT, MANILA, FEBRUARY 9

I was very pleased to have this occasion to visit the Philippines again. The deep bonds of friendship which exist between our two peoples were evident in the warm reception which I received in Manila today.

I welcomed the opportunity to meet with President Marcos and other members of the Philippine Government, to hear from them about current government programs, and to discuss current developments and future prospects in Southeast Asia. I reaffirmed the intention of the United States to meet its treaty commitments in the area in general, and to the Philippines in particular.

As we approach a new era of peace, we should devote more attention to the economic and social problems of the area. We intend to cooperate with the Philippines and other nations in this regard.

I cannot leave Manila without noting with sincere gratitude the generous support and cooperation which the Philippine Government has offered with regard to Operation Homecoming at Clark Air Base, which will

help speed the return home of the prisoners of war from Viet-Nam.

I am most grateful for the warmth of the Philippine hospitality shown me and my party today. In return, I wish to convey to President Marcos and the people of the Philippines the best wishes of President Nixon and the American people for their prosperity and well-being.

U.S.-German Cultural Talks Held at Washington

Joint Statement¹

A discussion of questions of mutual interest in the field of educational and cultural affairs took place in Washington on February 8 between representatives of the Government of the Federal Republic of Germany and representatives of the Department of State and the U.S. Information Agency. The German delegation was headed by Dr. Hans Arnold, Director General of Cultural Affairs in the German Foreign Office; the American delegation was led by the Honorable John Richardson, Jr., Assistant Secretary of State for Educational and Cultural Affairs.

The meeting grew out of a previous meeting at the staff level which was held in Bonn in May of 1972.

The two delegations exchanged views on experiences in educational and cultural programs of interest to both countries. They reviewed the various programs existing between the two countries and agreed on the desirability of a further intensification of cultural relations between them. They were particularly mindful of the need to view these relations within the broad context of U.S.-European concerns.

The two delegations agreed on the desirability of continued consultation and plan to meet on an annual basis.

¹ Issued at Washington Feb. 8 at the conclusion of the meeting (press release 30 dated Feb. 9).

U.S. Announces Realignment of Currency Values and Other Economic Measures

Following is a statement by Secretary of the Treasury George P. Shultz issued on February 12, together with the transcript of a news conference held by Secretary Shultz that evening.

STATEMENT BY TREASURY SECRETARY SHULTZ

Department of the Treasury press release dated February 12

The United States, as do other nations, recognizes the need to reform and strengthen the framework for international trade and investment. That framework must support our basic objective of enhancing the living standards of all nations. It must encourage the peaceful competition that underlies economic progress and efficiency. It must provide scope for each nation—while sharing in the mutual benefits of trade—to respect its own institutions and its own particular needs. It must incorporate the fundamental truth that prosperity of one nation should not be sought at the expense of another.

This great task of reform is not for one country alone, nor can it be achieved in a single step. We can take satisfaction in what has been accomplished on a cooperative basis since the actions announced on August 15, 1971, clearly signaled our recognition of the need for decisive change.¹

—Intense negotiations established an important fact in December 1971: Mutual agreement can be reached on changes in the pattern of world exchange rates, including the parity of the U.S. dollar, in order to promote the agreed goal of a better balance in international trade and payments.

—Monetary negotiations have been started

by the “Committee of Twenty” on the premise that better ways must be found to prevent large payments imbalances which distort national economies, disturb financial markets, and threaten the free flow of trade. The United States has made practical and specific proposals for international monetary reform.

—The groundwork is being laid for comprehensive trade negotiations. Those negotiations should look beyond industrial tariffs to encompass also other barriers to the free flow of goods. They should assure fair competitive treatment of the products of all countries. They should also seek agreed ways of avoiding abrupt dislocations of workers and businesses.

In September 1972 the President told the financial leaders of the world that:²

The time has come for action across the entire front of international economic problems. Recurring monetary crises such as we have experienced all too often in the past decade, unfair currency alignments and trading arrangements which put the workers of one nation at a disadvantage with workers of another nation, great disparities in development that breed resentment, a monetary system that makes no provision for the realities of the present and the needs of the future—all these not only injure our economies; they also create political tensions that subvert the cause of peace.

At the same meeting, I outlined the principles of a monetary system that would enable all nations, including the United States, to achieve and maintain overall balance in their international payments. Those principles would promote prompt

¹ For President Nixon's address to the Nation on Aug. 15, 1971, see BULLETIN of Sept. 6, 1971, p. 253.

² For remarks by President Nixon made before the Boards of Governors of the International Monetary Fund and the International Bank for Reconstruction and Development on Sept. 25, 1972, and a statement by Secretary Shultz made before the Boards on Sept. 26, 1972, see BULLETIN of Oct. 23, 1972, p. 457.

adjustment and would provide equitable treatment for all nations—large and small, rich and poor.

Yet in recent months we have seen disquieting signs. Our own trade has continued in serious deficit, weakening our external financial position. Other nations have been slow in eliminating their excessive surpluses, thereby contributing to uncertainty and instability. In recent days, currency disturbances have rocked world exchange markets. Under the pressure of events, some countries have responded with added restrictions, dangerously moving away from the basic objectives we seek.

Progress in the work of the Committee of Twenty has been too slow and should move with a greater sense of urgency. The time has come to give renewed impetus to our efforts in behalf of a stronger international economic order.

To that end, in consultation with our trading partners and in keeping with the basic principles of our proposals for monetary reform, we are taking a series of actions designed to achieve three interrelated purposes:

a. To speed improvement of our trade and payments position in a manner that will support our effort to achieve constructive reform of the monetary system;

b. To lay the legislative groundwork for broad and outward-looking trade negotiations, paralleling our efforts to strengthen the monetary system; and

c. To assure that American workers and American businessmen are treated equitably in our trading relationships.

For these purposes:

First, the President is requesting that the Congress authorize a further realignment of exchange rates. This objective will be sought by a formal 10 percent reduction in the par value of the dollar from 0.92106 SDR [special drawing rights] to the dollar to 0.82895 SDR to the dollar.

Although this action will, under the existing Articles of Agreement of the International Monetary Fund (IMF), result in a change in the official relationship of the

dollar to gold, I should like to stress that this technical change has no practical significance. The market price of gold in recent years has diverged widely from the official price, and under these conditions gold has not been transferred to any significant degree among international monetary authorities. We remain strongly of the opinion that orderly arrangements must be negotiated to facilitate the continuing reduction of the role of gold in international monetary affairs.

Consultations with our leading trading partners in Europe assure me that the proposed change in the par value of the dollar is acceptable to them, and will therefore be effective immediately in exchange rates for the dollar in international markets. The dollar will decline in value by about 10 percent in terms of those currencies for which there is an effective par value; for example, the Deutsche mark and the French franc.

Japanese authorities have indicated that the yen will be permitted to float. Our firm expectation is that the yen will float into a relationship vis-a-vis other currencies consistent with achieving a balance of payments equilibrium not dependent upon significant government intervention.

These changes are intended to supplement and work in the same direction as the changes accomplished in the Smithsonian agreement of December 1971.³ They take into account recent developments and are designed to speed improvement in our trade and payments position. In particular, they are designed, together with appropriate trade liberalization, to correct the major payments imbalance between Japan and the United States which has persisted in the past year.

Other countries may also propose changes in their par values or central rates to the International Monetary Fund. We will support all changes that seem warranted on the basis of current and prospective payments imbalances, but plan to vote against any changes that are inappropriate.

³ For background, see BULLETIN of Jan. 10, 1972, p. 32.

We have learned that time must pass before new exchange relationships modify established patterns of trade and capital flows. However, there can be no doubt we have achieved a major improvement in the competitive position of American workers and American business.

The new exchange rates being established at this time represent a reasonable estimate of the relationships which—taken together with appropriate measures for the removal of existing trade and investment restraints—will in time move international economic relationships into sustainable equilibrium. We have, however, undertaken no obligations for the U.S. Government to intervene in foreign exchange markets.

Second, the President has decided to send shortly to the Congress proposals for comprehensive trade legislation. Prior to submitting that legislation, intensive consultations will be held with Members of Congress, labor, agriculture, and business to assure that the legislation reflects our needs as fully as possible.

This legislation, among other things, should furnish the tools we need to:

- i. Provide for lowering tariff and non-tariff barriers to trade, assuming our trading partners are willing to participate fully with us in that process;
- ii. Provide for raising tariffs when such action would contribute to arrangements assuring that American exports have fair access to foreign markets;
- iii. Provide safeguards against the disruption of particular markets and production from rapid changes in foreign trade; and
- iv. Protect our external position from large and persistent deficits.

In preparing this legislation, the President is particularly concerned that, however efficient our workers and businesses, and however exchange rates might be altered, American producers be treated fairly and that they have equitable access to foreign markets. Too often, we have been shut out by a web of administrative barriers and controls. Moreover, the rules governing trading relationships have, in many instances,

become obsolete and, like our international monetary rules, need extensive reform.

We cannot be faced with insuperable barriers to our exports and yet simultaneously be expected to end our deficit.

At the same time, we must recognize that in some areas the United States, too, can be cited for its barriers to trade. The best way to deal with these barriers on both sides is to remove them. We shall bargain hard to that end. I am convinced the American workers and the American consumer will be the beneficiaries.

In proposing this legislation, the President recognizes that the choice we face will not lie between greater freedom and the status quo. Our trade position must be improved. If we cannot accomplish that objective in a framework of freer and fairer trade, the pressures to retreat inward will be intense.

We must avoid that risk, for it is the road to international recrimination, isolation, and autarky.

Third, in coordination with the Secretary of Commerce, we shall phase out the interest equalization tax and the controls of the Office of Foreign Direct Investment. Both controls will be terminated at the latest by December 31, 1974.

I am advised that the Federal Reserve Board will consider comparable steps for their Voluntary Foreign Credit Restraint Program.

The phasing out of these restraints is appropriate in view of the improvement which will be brought to our underlying payments position by the cumulative effect of the exchange rate changes, by continued success in curbing inflationary tendencies, and by the attractiveness of the U.S. economy for investors from abroad. The termination of the restraints on capital flows is appropriate in the light of our broad objective of reducing governmental controls on private transactions.

The measures I have announced today—the realignment of currency values, the proposed new trade legislation, and the termination of U.S. controls on capital movements—will serve to move our economy and the world economy closer to conditions of

international equilibrium in a context of competitive freedom. They will accelerate the pace of successful monetary and trade reform.

They are not intended to, and cannot, substitute for effective management of our domestic economy. The discipline of budgetary and monetary restraint and effective wage-price stabilization must and will be pursued with full vigor. We have proposed a budget which will avoid a revival of inflationary pressure in the United States. We again call upon the Congress, because of our international financial requirement as well as for the sake of economic stability at home, to assist in keeping Federal expenditures within the limits of the President's budget. We are continuing a strong system of price and wage controls. Recent international economic developments reemphasize the need to administer these controls in a way that will further reduce the rate of inflation. We are determined to do that.

The cooperation of our principal trading and financial partners in developing a joint solution to the acute difficulties of the last few days has been heartening. We now call upon them to join with us in moving more rapidly to a more efficient international monetary system and to a more equitable and freer world trading system so that we can make adjustments in the future without crises and so that all of our people can enjoy the maximum benefits of exchange among us.

TRANSCRIPT OF NEWS CONFERENCE

Secretary Shultz: I'm announcing this evening a series of major steps which we believe will be of definite benefit to the American workingman, the American businessman, and the American consumer.

I want, first, to say a word about the procedure involved here in the negotiations that we have been through so that people understand it's a little different from most.

We have had a small, sort of a policy group, you might say, consisting of myself and the gentlemen here on my left and back

here [Secretary Rogers; Arthur F. Burns, Chairman, Federal Reserve System; Herbert Stein, Chairman, Council of Economic Advisers; Peter M. Flanigan, Assistant to the President and Executive Director, Council on International Economic Policy; William E. Simon, Deputy Secretary of the Treasury; Jack F. Bennett, Deputy Under Secretary of the Treasury for Monetary Affairs]. We have met quite frequently over an extended period of time, and more frequently than we might have cared to otherwise in the last week or so.

We have met individually and in varying groups with the President. I have met myself with the President a number of times on this subject. The Secretary of State has. Dr. Burns and I have had meetings with the President on it, and Mr. Stein, Mr. Flanigan, and the "troika" [the Secretary of the Treasury, the Director of the Office of Management and Budget, and the Chairman of the Council of Economic Advisers] have done so.

We have had kind of a procedure here where we had our negotiator, and we really should have a great big picture of Paul Volcker [Under Secretary of the Treasury for Monetary Affairs] here. He is in Bonn, and pretty soon will get in an airplane and come home. He'll be here tomorrow morning. But we have had our negotiator out and traveling around from one capital to another as you have been kept advised. And he has had instructions from the President that were developed by this group and then taken to the President and worked out. Then, as he has proceeded and as we have gathered information from the governments we were talking with, we have sifted those in our group and discussed them back and forth with the President, and he has made additional decisions as we have gone along.

I would say the basic decision on what we would go forward with, in terms of our own plans, the President made along about last Tuesday; and then the final decision on what we would finally go forward with in the light of all the things that other people had to say, the President made this morning after a

discussion I had with him on the telephone. So that is our procedure.

Now, I think our approach here has been, in this crisis, to see how we might use the crisis as an opportunity, and I believe that we have. It is an opportunity to do something that will be of benefit to the worker, to our businesses; an opportunity to do something that will move us toward equilibrium in international accounts; and an opportunity to do something that is fundamentally consistent with the principles that we laid out at the IMF last September.

So we have had all of these things in mind in trying to get something constructive out of the sense of crisis that has taken place here.

Now, as you know because you have seen this statement, there are in a sense three things being announced: first, a set of exchange rate changes that start with a 10 percent change that derives from a 10 percent reduction or devaluation of the dollar.

We have additionally a float by the Japanese, and we believe that market forces will carry the dollar-yen relationship into a larger change than the change our devaluation action will achieve with respect to major European currencies.

So overall we have a major exchange rate realignment that we think will benefit our international accounts and our position in world trade.

I might note also—it is in the statement—that the United States has undertaken no obligation for intervention in foreign exchange markets.

Second, as you remember, in the IMF proposals we put forward the notion that you cannot expect the exchange rate system to carry the full load of adjustment. We think we need to be better equipped as a country in terms of our ability to deal with trade matters.

And so the President is announcing today his intention to seek additional trade authority from the Congress; and the categories, some of the categories in which we will be working, are laid out in the statement that you have.

But we want to have a greater ability to

negotiate flexibly and effectively on trade matters. And the President will make a final decision on what he will ask for after we have had a wide process of consultation in the Congress and with business and with labor and agriculture and other groups.

Finally, also consistent with our approach in the IMF speech, in which we said it is desirable to reduce as much as possible the impact of controls, we will phase out our capital controls, which are controls on the export of capital, by the end of December 1974, by then or before.

So these are three interrelated sets of actions and proposals that the President has decided on which, as I say, I think will yield a better deal for the American workingman and businessman in world markets.

Well, I will be glad to take questions.

Q. Mr. Secretary, always in devaluations there are two percentages. Last year it was 7.89 and 8.57. What is the other percentage in this case?

Secretary Shultz: You mean depending upon how you compute it and how it's worked?

Q. Yes, whether you look at it from the outside or the inside.

Q. What is the price of gold under this new arrangement?

Secretary Shultz: \$42.22.

Now, the way you compute this is very difficult for some people, like me, to follow, but it has something to do with the fact that if you're at 100 and you devalue to 90, then somehow with 100 ninetieths you manage to do more than you think 10 percent of \$38 amounts to.

But taking the Japanese yen, for example, which I believe is at 308 per dollar, 10 percent more or less gets you down to 277 and then you float from there, and we will see where we go.

Q. Mr. Secretary, how much will this devaluation add to living costs?

Secretary Shultz: Well, obviously, when you do something that in effect makes imports somewhat more expensive, you have

an impact from the standpoint of the price of the imports. And you also have an indirect effect because you lessen the discipline a little bit on competing products, so the inflation side of this picture is one that we have to be concerned about.

And you will notice in the statement, we do reiterate our concern there. We feel that we have a strong anti-inflation program in terms of budget policy, in terms of monetary policy, and in terms of wage-price policy.

Q. Do you know how much it will add to living costs, Mr. Secretary?

Secretary Shultz: Oh, it is very difficult to make an estimate of that sort, and of course it depends a lot on how successful we are in achieving the budget results that the President has laid out and how successful we are in making Phase III work as well as we believe it can work. So I think it's a very difficult kind of estimate.

Q. Mr. Secretary, would you repeat what you said about the yen before? I didn't understand. Is the yen to go down 10 percent before a float starts? What was the 277 figure?

Secretary Shultz: Well, we start with a devaluation of 10 percent.

Q. Of the yen?

Secretary Shultz: Of the dollar.

Q. Of the dollar. [General laughter.]

Q. But are you anticipating, at a minimum, an equal revaluation of the yen to the 10 percent? That's what I'm trying to get to.

Secretary Shultz: We anticipate that market forces will carry the dollar-yen relationship into a larger change, net change, than our action will achieve with respect to major European currencies.

Q. Mr. Secretary, do you anticipate—

Secretary Shultz: But since it is a float, we don't know precisely what that will amount to, but we expect it to be larger than the impact of the 10 percent devaluation with respect to the Deutsche mark.

Q. What is your understanding or expectation on the three major floating currencies:

the Canadian dollar, the British pound, and the Swiss franc? And also, what is your understanding or expectation on the two-tiered markets in Europe?

Secretary Shultz: Well, we expect, as we understand it, and of course other countries will announce what they do—we do not announce what they do—but I think it is probable that those who are floating will continue to float.

Q. Mr. Secretary, how long do you expect that Japan will float the yen?

Secretary Shultz: Pardon me?

Q. How long do you anticipate that Japan will float the yen?

Secretary Shultz: Well, that is a question you will have to ask the Japanese. What we know is that they will float the yen. How long that will take place remains to be seen.

Q. Mr. Secretary, did you try to get an up-valuation of the mark as part of this exercise?

Secretary Shultz: Well, we worked around a lot of ideas, and we have come out with a result that we think is a good one under all of the circumstances. And we feel that this is a good result, and I don't think it particularly serves any purpose in going over what might or might not have happened.

Q. What will happen when Congress comes back, and you get legislative approval of this, Mr. Secretary?

Secretary Shultz: I think it's very likely exchange markets will reflect this announcement quickly, and at the same time, we will go up for legislation as soon as Congress returns.

Q. When will the exchange markets open?

Secretary Shultz: Well, ours will open tomorrow. And others—what will happen in other countries, I am not certain. Some of those have been closed, and some may be closed tomorrow. I'm not sure about that.

Q. What do you expect from the phasing-out of the controls in terms of the balance of payments?

Secretary Shultz: Well, that, again, is hard to estimate. I think one can question what sort of the stable state impact of those controls is at this stage.

There is a problem of loans abroad that might be brought here in large quantities that one has to think about as a phaseout type of problem. And at the same time, I think we may very well have an impact on the flow of funds into the United States, once we establish the fact that money that's here is not going to be restricted and going out again. So this is again a complicated thing to estimate, but we think the net benefits will be good for us in the long run.

Q. Mr. Secretary, do you anticipate any changes in central rates or par values of any European currencies?

Secretary Shultz: We have no basis for anticipating that, but again, other countries will have to speak for themselves.

Q. But you did say that the three that are floating, which includes Canada, you will anticipate floating—

Secretary Shultz: That would be my expectation, that they will continue floating, but they will have to speak for themselves—I don't intend to try to speak for them.

Q. What about the two-tier systems of Europe? Are those going to be phased out, or are they going to remain in force?

Secretary Shultz: Again, these countries will have to speak for themselves and make their own statements about various controls on the capital movements and on the two-tier system.

Q. Mr. Secretary, you indicate in your statement that you'd like gold to be phased out of the international monetary system. Isn't increasing or devaluing the dollar against gold counterproductive in that sense?

Secretary Shultz: Not particularly. This is really a kind of a mechanical adjustment as we see it, and we have stated our view on this matter many times. We state it here again just so that people who might get the impression that you stated will be disabused of it, and we wanted to put it right in there.

Q. Mr. Secretary, can we expect some kind of international conference, which might make an adjustment, readjustment, something like a Smithsonian conference?

Secretary Shultz: We have, I think, basically got an agreement on this particular set of exchange rate changes, and we don't need a conference in order to do it. It's been done with the cooperation of various people, and at considerable loss of sleep by many, particularly Mr. Volcker. But that has been done.

Now, I think that one of the things that comes out of this and is dramatized by this—and it has been interesting to me in the conversations and messages and so forth that have gone back and forth—is how this has come out.

The realization is that it is important to get on with the task of basic reform of the international monetary system. And I think that again in the spirit of trying to make an opportunity out of a crisis, that others have realized this.

We have pointed it up and brought it up, and I think we will get a little more rapid movement on this as a result of this crisis. People are aware that all is not well and that we need to do things to repair this system.

So there will be meetings of that kind, but we don't need a meeting in the Smithsonian in order to confirm these changes. They have essentially been worked out.

Q. Mr. Secretary, will we be here a year from now to hear the same kind of announcement of 10 percent, 5 percent? Is the dollar just plunging?

Secretary Shultz: I think the basic fact about the dollar is that we have a large, diverse, strong economy that is expanding. It is healthy.

We have our problems with inflation. We seem to be doing better with them than most of our other trading partners. And so I think the outlook is fundamentally strong.

On the other hand, we have a great disequilibrium in trade and balance of payments accounts, and we feel this is a step and a strong step in curing them.

We feel that the negotiations for change in the basic system will be—are very important and helpful. And so we are moving in the right direction.

And where we will be a year from now, I would guess we will have to wait a while to see.

Q. Mr. Secretary, in relation to—specifically in relation to Canada, there is no mention in here of Canada, and it is floating its currency. Do you have any particular objectives in mind with trade relationships with Canada that you would like to pursue?

Secretary Shultz: Well, I have talked with the Minister of Finance, Mr. John Turner, at least twice during these discussions. And again, Canada will announce its own course of action with respect to the exchange rates. But I believe he did say, in Parliament today, that they expected to continue to float. But just what on that they may add is up to them.

We have felt that there are a number of things in the trade picture with Canada that should be straightened out and changed and improved, and we will continue to work at that. But that is essentially—those are things that we have been talking about for some time. There is nothing particularly new there.

Implementation of the Convention on the Taking of Evidence Abroad

AN EXECUTIVE ORDER¹

RELATING TO THE IMPLEMENTATION OF THE CONVENTION ON THE TAKING OF EVIDENCE ABROAD IN CIVIL OR COMMERCIAL MATTERS

The Convention on the Taking of Evidence Abroad in Civil or Commercial Matters was ratified by the United States of America and was proclaimed by the President on September 15, 1972. It came into force on October 7, 1972. By Article 2 of the Convention each of the Contracting States undertakes to designate a Central Authority to implement the Convention.

Now, THEREFORE, by virtue of the authority vested in me as President of the United States of America, it is ordered as follows:

The Department of Justice is designated as the Central Authority to receive Letters of Request coming from a judicial authority of another Contracting State and to transmit them to the authority competent to execute them.



THE WHITE HOUSE, January 19, 1973.

¹ No. 11698; 38 *Fed. Reg.* 2207.

U.S.-China Relations: Progress Toward Normalization

Address by Marshall Green

*Assistant Secretary for East Asian and Pacific Affairs*¹

Just a year ago President Nixon set forth on his historic trip to Peking. As a result of that decision and the talks the President held with the leaders of China, new vistas have opened up in world diplomacy that augur well for the cause of peace. On this first anniversary, I would like to review with you the major accomplishments of the Peking summit, the progress we have made since, and our hopes for the future in our efforts to improve relations with the People's Republic of China.

At the conclusion of the President's visit to Peking, the United States and the People's Republic of China issued a joint communique in which the two sides expressed the belief that "the normalization of relations between the two countries" was "not only in the interest of the Chinese and American peoples but also contributes to the relaxation of tension in Asia and the world."² In support of this goal, we agreed to a number of specific means, such as the development of people-to-people exchanges, expansion of bilateral trade, and the improvement of communication at the governmental level.

The distinction in the communique between means and ends is clear. The President did not go to Peking to seek trade or exchanges or even communication for their own sake. Concern over the state of relations between China and the United States did not center on the absence of trade or exchanges or even

communication, but on the state of our political relationship. The concern was that our relationship was not "normal"; and it was to seek a normal relationship that the President went to Peking.

What do we mean by normalizing relations? Difficult as it may be to achieve, it is a simple, commonsense concept relating to substance, not form. It is normal to trade. It is normal that countries allow and encourage travel and exchanges of information and experience to broaden understanding between peoples. For any country to live in angry isolation is surely neither desirable nor normal. But most important of all, "normal relations" means that countries, despite their differences, are able to discuss their problems with a view toward resolving them or, if that is not possible, at least to make them manageable until such time as they become soluble.

This is the relationship we have sought with the People's Republic of China.

But before we could even hope to develop such a relationship, certain obvious obstacles had to be addressed. The four principal ones—regarded by many only a few years ago as insurmountable—were mutual mistrust, ideology, the war in Indochina, and Taiwan.

Of these, mutual mistrust was the most difficult and the most important to remove; for without an atmosphere of trust, a normal relationship between nations is impossible. Our statements and particularly our actions in the months and years immediately preceding the summit—including the removal

¹ Made before the Sulgrave Club at Washington on Feb. 20 (press release 43).

² For text of the communique, see BULLETIN of Mar. 20, 1972, p. 435.

of existing barriers to trade, travel, and communication, the reduction of U.S. forces on the periphery of China in accordance with the Nixon doctrine—all contributed to building trust. But it was the President's visit to Peking last February which finally broke the logjam of twenty years of hostility and established an atmosphere of trust. The language of the communique issued at the end of the visit reflected that new atmosphere.

Ideology was perhaps a less serious obstacle. The passage of time and the shift away from bloc politics in the world had moderated the cold war. National interest had begun to outweigh rigid ideological or bloc considerations in the formulation of foreign policy on both sides. The summit both advanced and confirmed that trend. We both acknowledged our differences; indeed, the communique frankly spelled out those differences in what must be one of the most forthright declarations in diplomatic annals. Nevertheless we were able to agree that these differences need not prevent our two countries from conducting a normal relationship, settling disputes between us without resort to the threat or use of force. How nations structure themselves internally is less important to U.S. foreign policy than how they conduct themselves internationally. To the extent that other countries, including China, have come to share that view, the world has become safer from the danger of ideological confrontation and conflict.

The removal of ideology as an obstacle to normal relations helped make possible the removal of the Viet-Nam issue as an obstacle. For with the decline in the importance of ideology in foreign affairs, the war in Indo-China became less a crusade on both sides and more simply a war in which the national interests of several countries were engaged. History provides ample evidence that crusades rarely end in a negotiated settlement. Dogma is not negotiable, and the best crusaders can hope for is a precarious truce. Policy positions, however, are negotiable, and reasonable men can find reasonable solutions.

We did not, of course, negotiate a settlement of the Viet-Nam conflict in Peking. But

once the United States and China were able to agree, if only tacitly, that we could begin the process of improving relations without waiting for an end to the war, a settlement in Viet-Nam became more possible. We wanted peace, and there is ample evidence that China wanted peace.

The Taiwan problem was not resolved at the summit and will not be settled in bilateral talks between the United States and the People's Republic of China. The Chinese themselves—on both sides of the strait—must accomplish this; our interest is that any settlement be a peaceful one. But the opportunity the summit offered to restate our position clearly and remove any possible Chinese misunderstanding of our intentions certainly helped to defuse this emotional issue. By affirming that with the prospect of a peaceful settlement in mind, our ultimate objective was the withdrawal of our forces and installations on Taiwan and stating that in the meantime we would progressively reduce our forces there as tension in the area diminished, we made clear that we were not engaged in any plot to determine the status of Taiwan. As a result neither the issue itself nor our intention to maintain our diplomatic ties and defense obligations with the Republic of China constitutes a barrier to improvement in bilateral U.S.-P.R.C. relations.

Since the summit we have worked to build on the framework of the new relationship the President established, developing and expanding the three means agreed to in the Shanghai communique: trade, people-to-people contact, and government-to-government communication. Dr. [Henry A.] Kissinger, as the President's special representative, has returned to Peking twice to continue discussion of issues of mutual concern. We have established a point of contact in Paris, where our Ambassadors and the members of their staffs are able to meet on a practical day-to-day basis in accordance with the Shanghai communique understanding. In New York our two Missions to the United Nations have established a mutually useful relationship on matters relating to the work of that organization. The channels of

communication are open and are being used not only to lessen the risk of confrontation through accident, miscalculation, or misunderstanding but to move positively to identify areas of common interest where cooperation in the cause of peace will be possible. This is the substance of normalization.

The development of trade, travel, and exchanges over the past year further reinforces the trend. The results, while not spectacular, have been encouraging. In December and January the Shenyang Acrobatic Troupe toured several cities in the United States, incidentally providing Chinese TV audiences for the first time with glimpses of New York City against a musical background of "Home on the Range." You may be less aware of two smaller but important visiting groups: a delegation of Chinese scientists and a group of Chinese physicians who came to the United States last fall to exchange information and renew contact with their American colleagues. On our side, over 1,000 Americans—including doctors, university professors, scientists, newsmen, and businessmen—visited China in the past year. These visits symbolize and give evidence of the improving relationship between the People's Republic of China and the United States, but more important, they advance it.

Trade began slowly, but still the preliminary figures for the year and the projection for this year are impressive. Starting from a total two-way trade of less than \$5 million in 1971, trade in 1972 climbed to about \$100 million. In 1973, the estimate is that this figure will more than triple. In economic or world trade terms this may seem a modest figure. But China is not a major trading nation. As in the case of exchanges, the significance of growing trade lies in the contribution it makes to the goal of normal interaction between our two countries. To place our trade in this perspective, it is worth noting that should we succeed in increasing trade to the \$350-400 million level this year or next, we may well become China's second-largest trading partner.

For the past year, we have been building

on and seeking to strengthen the relationship established at the summit. But what about the future? We will continue to work to expand trade and exchanges, but our goal will be the real substance of a normal relationship between countries: the ability to deal with problems in a rational and pragmatic way, with due regard for the legitimate interests of all concerned.

Peking once saw us as an implacable enemy which sought to dominate various countries of East Asia and use them as a base from which to threaten the security of China. We in turn saw China as an expansionist power, a threat to its neighbors and to the stability and orderly growth of the region. Today our mutual perceptions are changing.

Here of course I am talking not about what will be necessarily, but what might be—and what ought to be. Much depends on what happens in the months ahead. Nations are, after all, ruled by men, and history is replete with examples of nations which have chosen to ignore their own national interest. But if China and the United States can continue to make progress toward a normal relationship and through that relationship contribute to a lasting peace in Asia, tension in the area will indeed significantly lessen and the prospects markedly improve for the development of a system of normal relationships among all the countries of the area.

As I look back now on the events of the past year, the President's visit to Peking assumes a significance far beyond its contribution to improved U.S.-China relations.

The example set by the President's trip to Peking changed men's minds; it also changed the policies of nations. The President's trip stimulated a series of movements toward détente. In Korea as in Viet-Nam, adversaries have begun talking with one another. Long-time antagonists who once confronted one another are now competing to show the world that they are at least as reasonable and flexible as their rivals. Summitry is now being practiced on an almost unprecedented scale—in part, perhaps the product of the jet age—and a new system of international relation-

ships is becoming established in the world.

The President's trip to Peking was the catalyst; he set the example and made the seemingly impossible a reality. I daresay that it will be in these terms that history will assess the significance of his journey.

President Nixon Suspends Limitation on Certain Meat Imports for 1973

A PROCLAMATION¹

QUANTITATIVE LIMITATION ON THE IMPORTATION OF CERTAIN MEATS INTO THE UNITED STATES

WHEREAS section 2(a) of the act of August 22, 1964 (78 Stat. 594, 19 U.S.C. 1202 note) (hereinafter referred to as "the act"), declares that it is the policy of the Congress that the aggregate quantity of the articles specified in item 106.10 (relating to fresh, chilled, or frozen cattle meat) and item 106.20 (relating to fresh, chilled, or frozen meat of goats and sheep (except lambs)) of the Tariff Schedules of the United States (hereinafter referred to as "meat") which may be imported into the United States in any calendar year beginning after December 31, 1964, shall not exceed a quantity to be computed as prescribed in that section (hereafter referred to as "adjusted base quantity"); and

WHEREAS section 2(b) of the act provides that the Secretary of Agriculture for each calendar year after 1964 shall estimate and publish the adjusted base quantity for such calendar year and shall estimate and publish quarterly the aggregate quantity of meat which in the absence of the limitations under the act would be imported during such calendar year (hereafter referred to as "potential aggregate imports"); and

WHEREAS the Secretary of Agriculture, pursuant to sections 2(a) and (b) of the act, estimated the adjusted base quantity of meat for the calendar year 1973 to be 1,046.8 million pounds and estimated the potential aggregate imports of meat for 1973 to be 1,450 million pounds; and

WHEREAS the potential aggregate imports of meat for the calendar year 1973, as estimated by the Secretary of Agriculture, exceed 110 percent of the adjusted base quantity of meat for the calendar year 1973 estimated by the Secretary of Agriculture; and

WHEREAS no limitation under the act is in effect with respect to the calendar year 1973; and

WHEREAS section 2(c)(1) of the act requires the President in such circumstances to limit by proclamation the total quantity of meat which may be entered, or withdrawn from warehouse, for consumption, during the calendar year, to the adjusted base quantity estimated for such calendar year by the Secretary of Agriculture pursuant to section 2(b)(1) of the act; and

WHEREAS section 2(d) of the act provides that the President may suspend the total quantity proclaimed pursuant to section 2(c) of the act if he determines and proclaims that such action is required by overriding economic or national security interests of the United States, giving special weight to the importance to the Nation of the economic well-being of the domestic livestock industry; and

WHEREAS section 2(d) of the act further provides that such suspension shall be for such period as the President determines and proclaims to be necessary to carry out the purposes of section 2(d);

Now, THEREFORE, I, RICHARD NIXON, President of the United States, acting under and by virtue of the authority vested in me as President and pursuant to section 2 of the act, do hereby proclaim as follows:

(1) In conformity with and as required by section 2(c)(1) of the act, the total quantity of the articles specified in item 106.10 (relating to fresh, chilled, or frozen cattle meat) and item 106.20 (relating to fresh, chilled, or frozen meat of goats and sheep (except lambs)) of part 2B, schedule 1 of the Tariff Schedules of the United States which may be entered, or withdrawn from warehouse, for consumption during the calendar year 1973, is limited to 1,046.8 million pounds.

(2) It is hereby determined pursuant to section 2(d) of the act that the suspension of the limitation proclaimed in paragraph (1) is required by overriding economic interests of the United States, giving special weight to the importance to the Nation of the economic well-being of the domestic livestock industry.

(3) The limitation proclaimed in paragraph (1) is suspended during the calendar year 1973 unless because of changed circumstances it becomes necessary to take further action under the act. It is hereby determined necessary that such suspension shall be for such period in order to carry out the purposes of section 2(d) of the act.

IN WITNESS WHEREOF, I have hereunto set my hand this twenty-ninth day of January, in the year of our Lord nineteen hundred seventy-three, and of the Independence of the United States of America the one hundred ninety-seventh.



¹ No. 4183; 38 Fed. Reg. 2951.

United Nations Documents: A Selected Bibliography

Mimeographed or processed documents (such as those listed below) may be consulted at depository libraries in the United States. U.N. printed publications may be purchased from the Sales Section of the United Nations, United Nations Plaza, N.Y. 10017.

Economic and Social Council

Report of the Population Commission on Its Special Session: World Population Conference, 1974—Administrative and Financial Implications. Note by the Secretary General. E/5221. November 1, 1972. 17 pp.

Preparatory Committee for the World Population Conference, 1974. Report of the fourth session, August 2-4 and 16, 1972. E/CONF.60/PC/4. November 6, 1972. 12 pp.

Implementation by the Specialized Agencies and the International Institutions Associated With the United Nations of the Declaration on the Granting of Independence to Colonial Countries and Peoples. Note by the President of the Council. E/5223. November 6, 1972. 1 p.

TREATY INFORMATION

United States and Spain Sign Air Transport Agreement

The Department of State announced on February 20 (press release 41) that the United States and Spain had that day signed at Madrid a new bilateral Air Transport Agreement. Ambassador Horacio Rivero signed for the United States, and Gregorio Lopez Bravo de Castro, Minister of Foreign Affairs, signed for Spain. (For text of the agreement, see press release 41.)

The new agreement replaces the one originally signed in 1944, which with the passage of time had become outdated in several respects. In addition to incorporating several features which have become more or less

standard in recent years, the agreement includes revised route rights for the airlines of both countries. These rights signify a marked expansion in the opportunities afforded the airlines to serve and develop the fast-growing market between the United States and Spain. At present, Trans World Airlines, Pan American World Airways, and Iberia Air Lines are operating between the two countries.

Under the new agreement, U.S. airlines will be able to serve Madrid, Barcelona, Malaga, and Palma de Mallorca via the Azores and Lisbon, as well as beyond the first two named Spanish cities to a variety of points in Europe, Africa, and the Near East. Spanish airlines, in turn, will be able to serve Boston, New York, and Washington, as well as San Juan and Miami, with rights beyond San Juan to certain points in the Caribbean Sea and Central and South America.

Current Actions

MULTILATERAL

Automotive Traffic

Convention on road traffic, with annexes and protocol. Done at Geneva September 19, 1949. Entered into force March 26, 1952. TIAS 2487.

Notification that it continues to be bound: Fiji, October 31, 1972 (with declarations and reservations); Singapore, November 29, 1972.

Convention concerning customs facilities for touring. Done at New York June 4, 1954. Entered into force September 11, 1957. TIAS 3879.

Notification of succession: Fiji, October 31, 1972.

Customs convention on the temporary importation of private road vehicles. Done at New York June 4, 1954. Entered into force December 15, 1957. TIAS 3943.

Notification of succession: Fiji, October 31, 1972.

Aviation

Convention on international civil aviation. Done at Chicago December 7, 1944. Entered into force April 4, 1947. TIAS 1591.

Adherence deposited: Swaziland, February 14, 1973.

Convention for the suppression of unlawful acts

against the safety of civil aviation. Done at Montreal September 23, 1971. Entered into force January 26, 1973.

Ratification deposited: Union of Soviet Socialist Republics, February 19, 1973 (with a reservation).

Biological Weapons

Convention on the prohibition of the development, production and stockpiling of bacteriological (biological) and toxin weapons and on their destruction. Done at Washington, London, and Moscow April 10, 1972.¹

Ratification deposited: Dominican Republic, February 23, 1973.

Cultural Relations

Agreement on the importation of educational, scientific, and cultural materials, with protocol. Done at Lake Success November 22, 1950. Entered into force May 21, 1952; for the United States November 2, 1966. TIAS 6129.

Notification of succession: Fiji, October 31, 1972.

Customs

International convention to facilitate the importation of commercial samples and advertising material. Done at Geneva November 7, 1952. Entered into force November 20, 1955; for the United States October 17, 1957. TIAS 3920.

Notification of succession: Fiji, October 31, 1972.

Ocean Dumping

Convention on the prevention of marine pollution by dumping of wastes and other matter, with annexes. Done at London, Mexico City, Moscow, and Washington December 29, 1972.¹

Signatures: Dominican Republic, January 18, 1973; Guatemala, January 30, 1973.

Patents

Strasbourg agreement concerning the international patent classification. Done at Strasbourg March 24, 1971.¹

Ratification deposited: Norway (with a declaration), January 30, 1973.

Phonograms

Convention for the protection of producers of phonograms against unauthorized duplication of their phonograms. Done at Geneva October 29, 1971.

Ratifications deposited: Finland (with a declaration), December 18, 1972; Sweden (with a declaration), January 18, 1973; United Kingdom, December 5, 1972.

Enters into force: April 18, 1973.²

Poplar Commission

Convention placing the International Poplar Commission within the framework of the Food and

Agriculture Organization. Approved at Rome November 19, 1959. Entered into force September 26, 1961; for the United States August 13, 1970. TIAS 6952.

Acceptance deposited: Korea, January 16, 1973.

Postal Matters

Constitution of the Universal Postal Union with final protocol signed at Vienna July 10, 1964 (TIAS 5881), as amended by additional protocol, general regulations with final protocol and annex, and the universal postal convention with final protocol and detailed regulations. Signed at Tokyo November 14, 1969. Entered into force July 1, 1971, except for article V of the additional protocol, which entered into force January 1, 1971. TIAS 7150.

Accession deposited: Bangladesh, February 7, 1973.

Property—Industrial

Convention of Paris for the protection of industrial property of March 20, 1883, as revised. Done at Stockholm July 14, 1967. Articles 1 through 12 entered into force May 19, 1970.³ Articles 13 through 30 entered into force April 26, 1970; for the United States September 5, 1970. TIAS 6923.

Notification of application of transitional provisions: Congo (Brazzaville), January 23, 1973.

Property—Intellectual

Convention establishing the World Intellectual Property Organization. Done at Stockholm July 14, 1967. Entered into force April 26, 1970; for the United States August 25, 1970. TIAS 6932.

Notification of application of transitional provisions: Congo (Brazzaville), January 23, 1973.

Safety at Sea

Amendments to the international convention for the safety of life at sea, 1960 (TIAS 5780). Adopted at London October 25, 1967.¹

Acceptance deposited: Yugoslavia, January 24, 1973.

Amendments to the international convention for the safety of life at sea, 1960 (TIAS 5780). Adopted at London November 26, 1968.¹

Acceptance deposited: Yugoslavia, January 24, 1973.

Amendments to the international convention for the safety of life at sea, 1960 (TIAS 5780). Adopted at London October 21, 1969.¹

Acceptance deposited: Yugoslavia, January 24, 1973.

Space

Convention on international liability for damage caused by space objects. Done at Washington, London, and Moscow March 29, 1972. Entered into force September 1, 1972.³

¹ Not in force.

² Not for the United States.

³ Not in force for the United States.

Ratification deposited: Dominican Republic, February 23, 1973.

Wheat

International wheat agreement, 1971. Open for signature at Washington March 29 through May 3, 1971. Entered into force June 18, 1971, with respect to certain provisions, July 1, 1971, with respect to other provisions; for the United States July 24, 1971. TIAS 7144.

Approval of the Wheat Trade Convention deposited: France, February 23, 1973.

Approval of the Food Aid Convention deposited: France, February 23, 1973.

BILATERAL

Indonesia

Agreement amending the agreement for sales of agricultural commodities of May 26, 1972 (TIAS 7358). Effected by exchange of notes at Jakarta January 22, 1973. Entered into force January 22, 1973.

Pakistan

Agreement amending the agreement for sales of agricultural commodities of September 21, 1972 (TIAS 7466). Effected by exchange of notes at Islamabad January 31, 1973. Entered into force January 31, 1973.

Spain

Air transport agreement. Signed at Madrid February 20, 1973. Entered into force provisionally February 20, 1973, definitively on the date upon which both parties have mutually notified each other through an exchange of diplomatic notes of the fulfillment of their respective constitutional formalities.

PUBLICATIONS

Recent Releases

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Trade in Cotton Textiles. Agreement with Nicaragua. TIAS 7433. 6 pp. 10¢.

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42	2/20	Meeting of U.S. Advisory Commission on International Educational and Cultural Affairs, Mar. 2.
43	2/20	Green: The Sulgrave Club, Washington.
44	2/20	Johnson sworn in as Ambassador at Large (biographic data).
45	2/21	Postponement of meeting of Advisory Committee of the Foreign Service Institute.
46	2/21	Rogers: Senate Committee on Foreign Relations.
47	2/21	Meeting of Law of the Sea Advisory Committee, Feb. 26-27.
48	2/22	New quarters for Los Angeles Passport Agency.
49	2/23	U.S. delegation to International Conference on Viet-Nam, Paris, Feb. 26.

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THE DEPARTMENT OF STATE BULLETIN

Volume LXVIII

• No. 1760 •

March 19, 1973

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The Department of State BULLETIN, a weekly publication issued by the Office of Media Services, Bureau of Public Affairs, provides the public and interested agencies of the government with information on developments in the field of U.S. foreign relations and on the work of the Department and the Foreign Service.

The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements, addresses, and news conferences of the President and the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and on treaties of general international interest.

Publications of the Department of State, United Nations documents, and legislative material in the field of international relations are also listed.

Presidential Assistant Kissinger Visits Asia

Following is the text of a United States-People's Republic of China communique issued simultaneously at Washington and Peking February 22, together with the transcript of a news conference held at the White House that day by Henry A. Kissinger, Assistant to the President for National Security Affairs.

TEXT OF COMMUNIQUE

Weekly Compilation of Presidential Documents dated February 26

Dr. Henry A. Kissinger, Assistant to the U.S. President for National Security Affairs, visited the People's Republic of China from February 15 to February 19, 1973. He was accompanied by Herbert G. Klein, Alfred Le S. Jenkins, Richard T. Kennedy, John H. Holdridge, Winston Lord, Jonathan T. Howe, Richard Solomon, and Peter W. Rodman.

Chairman Mao Tsetung received Dr. Kissinger. Dr. Kissinger and members of his party held wide-ranging conversations with Premier Chou En-lai, Foreign Minister Chi Peng-fei, Vice Foreign Minister Chiao Kuan-hua, and other Chinese officials. Mr. Jenkins held parallel talks on technical subjects with Assistant Foreign Minister Chang Wen-chin. All these talks were conducted in an unconstrained atmosphere and were earnest, frank and constructive.

The two sides reviewed the development of relations between the two countries in the year that has passed since President Nixon's visit to the People's Republic of China and other issues of mutual concern. They reaffirmed the principles of the Joint Communique issued at Shanghai in February 1972 and their joint commitment to bring

about a normalization of relations.¹ They held that the progress that has been made during this period is beneficial to the people of their two countries.

The two sides agreed that the time was appropriate for accelerating the normalization of relations. To this end, they undertook to broaden their contacts in all fields. They agreed on a concrete program of expanding trade as well as scientific, cultural and other exchanges.

To facilitate this process and to improve communications it was agreed that in the near future each side will establish a liaison office in the capital of the other. Details will be worked out through existing channels.

The two sides agreed that normalization of relations between the United States and the People's Republic of China will contribute to the relaxation of tension in Asia and in the world.

Dr. Kissinger and his party expressed their deep appreciation for the warm hospitality extended to them.

TRANSCRIPT OF NEWS CONFERENCE

Weekly Compilation of Presidential Documents dated February 26

Mr. Ziegler [Ronald L. Ziegler, Press Secretary to President Nixon]: You have had a chance to read the communique. As Jerry [Gerald L. Warren, Deputy Press Secretary] mentioned to you, it is embargoed for transmission until 11 o'clock, eastern standard time.

Dr. Kissinger left on the 7th of this month, and he has visited Thailand, Laos, the

¹ For text of the joint communique, see BULLETIN of Mar. 20, 1972, p. 435.

D.R.V., and the P.R.C. and Japan, and returned to the United States on the 20th of this month and is here to talk about his travels and to take some of your questions. He is on the record, of course.

Dr. Kissinger: I noticed that Ron has begun to speak with a German accent. [Laughter.]

Ladies and gentlemen, I thought I would begin by making some remarks about my trip to the People's Republic of China, then take some questions on that, including the communique, and then perhaps make a few additional comments to the briefing that Ron has already given you on the Hanoi communique.

To put this communique into perspective and to elaborate on it for a bit, one should review the evolution of our China policy. When we first began our contacts with the People's Republic of China in 1969 through third parties, and in 1971 directly, the United States had not had any contact with the People's Republic in nearly 20 years; that is, no contact on a really substantial level.

Our early conversations were concerned primarily with building confidence, with explaining each other's position, with establishing channels of communication. Last year our achievements consisted of setting out directions and indicating the roads that might be traveled. After the end of the war in Viet-Nam, and in these discussions in Peking, we were able to begin to travel some of these roads and to move from the attempt to eliminate the obstructions and the mistrust to some more concrete and positive achievements.

What happened in these meetings was really a continuation of possibilities that had been outlined during the President's visit and during the conversations between the President and Chairman Mao and Prime Minister Chou En-lai, except that now they took some more concrete form. As the communique points out, we reviewed the progress in Sino-American relations in great detail, and we reviewed the international situation in great detail.

We discussed the principles of the Shang-

hai communique, particularly those that dealt with the desirability of normalization of relations, the desirability of reducing the danger of military conflict, the affirmation by both sides that neither would seek hegemony in the Pacific area and each of them opposed the attempt of anyone else to achieve it and that the relations between China and the United States would never be directed against any third country.

In that spirit, it was decided to accelerate the normalization of relations, to broaden contacts in all fields, and an initial concrete program for extending these contacts was developed.

Given this new range of contacts, it was decided that the existing channel in Paris was inadequate and that therefore each side would establish a liaison office in the capital of the other. This liaison office would handle trade as well as all other matters, except the strictly formal diplomatic aspects of the relationship, but it would cover the whole gamut of relationships. This liaison office will be established in the nearest future. Both sides will make proposals within the next few weeks to the other about their technical requirements, and henceforth it will be possible for the United States and the People's Republic of China to deal with each other in the capital of the other.

Now, in order to give some concrete expression to this desire for the normalization of relationships, it was agreed that a number of steps be taken.

First of all, the Chinese, as a sign of good will, have informed us that they would release, within the same time period as our withdrawal from Viet-Nam, the two military prisoners that they hold in China, Lieutenant Commander [Robert J.] Flynn and Major Philip [E.] Smith. They have been held in China since 1967 and 1965, respectively. They will be released within the next few weeks.

Prime Minister Chou En-lai also asked me to inform the President that the Chinese penal code provided for the periodic review of the sentences of prisoners and that this provision would be applied in the case of

John Downey. The Chinese penal code provides for commutation of sentences on the basis of good behavior. We have been told that the behavior of Mr. Downey has been exemplary and that his case would be reviewed in the second half of this year.

With respect to outstanding issues that have been discussed in other channels, it was agreed that the linked issue of United States private claims against the People's Republic of China and P.R.C. blocked assets in the United States would be negotiated on a global basis in the immediate future. Discussions will begin on this subject between Secretary of State Rogers and the Chinese Foreign Minister next week when both are attending the International Conference on Viet-Nam in Paris, and we expect these negotiations to be concluded rapidly and in a comprehensive way, and we are certain that both sides are approaching them in a constructive spirit and in an attitude consistent with our intention to accelerate the improvement of our relations.

With respect to increased exchanges between the two countries, the Chinese have agreed to invite during this year the Philadelphia Symphony by the fall of 1973, a medical group during the spring, a scientific group during the summer, a group of elementary and high school teachers, again during the summer, and increased visits by Congressmen and Senators, as well as athletic teams, an amateur basketball team, and swimming and diving teams.

The People's Republic has agreed to send to the United States the archeological exhibit from the Forbidden City, which will probably come here in 1974, a group of water-conservation experts, insect-hormone specialists, high-energy physicists, and a gymnastic team.

When the liaison offices are established, possibility will exist for developing further contacts and accelerating this entire process.

The major point we want to make is this: Our contacts with the People's Republic of China have moved from hostility toward normalization. We both believe that it is essential for the peace of the world that the

United States and the People's Republic of China act with a sense of responsibility in world affairs, that we are part of an international community in which all nations have a stake in preserving the peace, and that therefore, as the Shanghai communique has already said and as was reaffirmed once again, the normalization of relations between the United States and the People's Republic is not directed against any other nation, but is part of a pattern that the President has pursued of building a structure of peace in which all nations can participate and in which all nations have a stake.

It remains for me only to say that we were received with extraordinary courtesy and that the discussions were conducted in what was always described as an unconstrained atmosphere.

Now I will take your questions on China and after that a few comments on North Viet-Nam.

Q. Dr. Kissinger, did you come to any agreement with regard to Taiwan and U.S. troops there?

Dr. Kissinger: Inevitably the issue of Taiwan is one in which the People's Republic and we do not have the same perspective. The leaders of the People's Republic stated their view, and we expressed our general commitments.

We of course continue to maintain diplomatic relations with Taiwan. The level of our troops on Taiwan is not the subject of negotiation, but will be governed by the general considerations of the Nixon doctrine with respect to danger in the area. There exists no immediate plan for any withdrawal, but there will be a periodic review.

Establishment of Liaison Offices

Q. Doctor, what will be the rank of the liaison office heads? Will they be ambassadors?

Dr. Kissinger: Mr. Lisagor [Peter Lisagor, Chicago Daily News] has addressed me by my academic title, which is very impressive to me.

The formal title of the head of the liaison office will be Chief of the Liaison Office. [Laughter.] And we are not giving any formal diplomatic rank on either side. As soon as the person is selected, which should be within a month, I think his stature will then determine it, but there will be no formal title other than the one I have given.

Q. To what do you attribute the Chinese decision to send a permanent representative here in view of their previous refusal to have a permanent person any place where Taiwan is recognized?

Dr. Kissinger: The liaison office is, of course, not a formal diplomatic office, but I don't want to speculate on the motive for the Chinese decision.

Our policy had always been clear from our first contact. Certainly from the time that the President visited the People's Republic, he pointed out to Prime Minister Chou En-lai the types of American representation that would be available for establishment in Peking, which ranged from trade missions through various other possibilities to the idea of a liaison office.

Why the Chinese leaders have decided at this particular moment to accept this and to establish an office of their own in Washington, I would not want to speculate on, except that it is certainly consistent with speeding up the process of normalization.

Q. Was there any restriction or understanding on the size of the respective delegations?

Dr. Kissinger: No, but we expect it to be of moderate size at the beginning.

Q. Dr. Kissinger, how about the exchange of journalists and opening of permanent bureaus in both countries?

Dr. Kissinger: This is one of the topics that will be discussed through the existing channel and then through the liaison office. The Chinese side has indicated that it would be willing to send some journalists over here, and it is of course clearly understood that we want to increase our journalistic contacts in the People's Republic.

I think there is some understanding in principle with respect to that, the details of which have to be worked out.

Q. What is the concrete program of expanding trade that the communique refers to?

Dr. Kissinger: To begin with, there is already a reasonable amount of trade, much larger than any projection had foreseen two years ago. The initial step in a further expansion has to be the discussion of the two issues that I have mentioned; namely, the blocked assets and the private claims. When these two issues are resolved, which we expect to be fairly soon, then further steps can be taken.

Up to now, the trade has been essentially in private channels on the U.S. side and has proceeded more rapidly than anybody projected two or three years ago.

Q. Dr. Kissinger, do you see the liaison office as something as far as you can go in terms of permanent representation, short of diplomatic relations, or do you see something further down the road?

Dr. Kissinger: We have no further steps in mind. This is as far as we can go for the moment.

Q. Dr. Kissinger, did you have a chance to discuss with the Chinese leaders the possibility of mutual restraint in sending military equipment to Viet-Nam?

Dr. Kissinger: Our view on the question of military equipment to Indochina is clear, and we have made clear to all the countries with which we have talked the importance of tranquillity in Indochina to the peace of the world, and Indochina was one of the subjects that was discussed in Peking.

Q. Dr. Kissinger, could you tell us something of the nature and the detail of your discussions with Chairman Mao?

Dr. Kissinger: I am debating whether to spend 10 minutes saying "No," or just to say "No." [Laughter.]

I will say one or two general things. One, I obviously cannot go into the details of the

discussion. The atmosphere was cordial. Chairman Mao was in apparently good health and spoke with great animation for about two hours and conveyed an extended personal message to the President, as the Chinese announcement made clear.

Q. Dr. Kissinger, was there any discussion of a visit here by Chou En-lai or any other senior Chinese representative in the future?

Dr. Kissinger: There was no discussion of this.

Q. Were there any secret agreements made, in view of the fact you are not discussing the Mao conversations?

Dr. Kissinger: No, the essential nature of what was discussed is contained in the communique and in my explanations. There were no secret agreements.

Q. Dr. Kissinger, was there a discussion of Prince Sihanouk and peace in Cambodia?

Dr. Kissinger: I do not want to go into any of the details, but the Indochina situation was discussed.

Major Powers and Indochina Peace

Q. How do you assess the possibility of some kind of mutual arrangement with the Chinese to cut off the flow of arms into Indochina?

Dr. Kissinger: The problem isn't whether any formal arrangements can be made or should be made. The problem is whether the major countries now recognize that the agreement in Viet-Nam gives everybody an opportunity to return that area for the first time in a generation to a period of tranquillity and to permit the peoples of Indochina an opportunity to work out their own fate without force and without outside pressure. And if this is understood by all the major countries, then they can draw their own conclusions and act on the basis of their own considerations, rather than to attempt to codify this in a formal agreement.

Q. To follow that up, do you think that the Chinese do, then, understand this as we do?

Dr. Kissinger: I don't want to speculate on

the Chinese intentions, but I have the impression that the participants in this conference next week all have to recognize an obligation to make whatever contribution they can to peace in Indochina.

Q. Could you give us an idea of the amounts of the private claims and the blocked assets?

Dr. Kissinger: The private claims are in the neighborhood of \$250 million. The blocked assets are in the neighborhood of \$78 million. But this may vary slightly because we are not sure that we know either all the claims or all the blocked assets. But it is roughly correct.

Q. Dr. Kissinger, in your conversations in Peking, did you exchange views on other parts of the world, say, like the Middle East?

Dr. Kissinger: There was a general review of the world situation.

Q. Dr. Kissinger, could we go on to the Hanoi matter?

Dr. Kissinger: I will take two more questions on China, and then we will go on to Hanoi.

Q. Did the Chinese, at the working level, indicate any specific interest in either what they wanted to buy from the United States or what they thought they could sell to the United States?

Dr. Kissinger: I would be the most unlikely subject for such a conversation, because I couldn't respond in any intelligible way. But we will set up procedures for them to express such an interest to more qualified personnel.

Q. Dr. Kissinger, why was the communique release delayed this long if it was worked out when you were in Peking? Why was it delayed until now?

Dr. Kissinger: To enable me to get back to the United States, to give us an opportunity to inform some other countries, and to proceed in an orderly, diplomatic manner.

Q. Can we clear up whether the people in the liaison offices will have diplomatic privileges or not?

Dr. Kissinger: The people in the liaison offices will have diplomatic privileges and will have opportunity to communicate with their own governments by code.

Q. Will the Chinese be allowed freedom of movement in the United States?

Dr. Kissinger: All of this will be worked out.

Basic Purpose of Visit to Hanoi

Q. Dr. Kissinger, on the Hanoi communique,² were any specific aid figures discussed with the North Vietnamese?

Dr. Kissinger: Let me make a general comment about the visit to North Viet-Nam.

A great deal of the comment that I have seen since my return, and also while I was traveling, concerned the Economic Commission and the economic aid that is under discussion. Now, let me try to put this into perspective. Ron has already covered the details of the communique in his briefing. I can add very little to that.

The basic purpose of my visit to Hanoi was not to work out an economic aid program. The basic purpose of my visit to Hanoi was to establish contact with the leadership of the Democratic Republic of Viet-Nam in order to see whether it would be possible to establish with it in Indochina something like the relationship that we have managed to establish with the People's Republic of China in Asia in general.

You have to consider that the leaders of the Democratic Republic of Viet-Nam have spent almost all of their lives either in prison or conducting guerrilla wars or conducting international wars. At no time in their lives have they had an opportunity to participate in a normal diplomatic relationship with other countries or to concentrate on the peaceful evolution of their country and of their region.

Now, for whatever reason, they have indicated some interest in at least exploring the

possibility of a more constructive relationship and of a more peaceful evolution. The greater part of my time in Hanoi was spent on discussing the implementation of the agreement, what forms normalization of relations might take.

You should look at the economic aid program not in terms of a handout and not in terms of a program even of reconstruction alone, but as an attempt to enable the leaders of North Viet-Nam to work together with other countries, and particularly with Western countries, in a more constructive relationship and to provide in this manner an incentive toward a more peaceful evolution.

The Economic Commission will be the first opportunity that the leaders of the Democratic Republic of Viet-Nam have had to discuss something other than armistices or military arrangements with responsible Americans, and therefore the visit was part of an attempt to move from hostility toward normalization, and we are asking for support for the idea of such a program not on economic grounds and not even on humanitarian grounds primarily, but on the grounds of attempting to build peace in Indochina and therefore to contribute to peace in the world.

Now, that means that the precise figures were not the principal issue at this particular moment.

Are there any other questions?

Discussions With Japanese Leaders

Q. Doctor, in relation with Japan, two points: One point is, what do you understand about Japan in context with America or China or Southeast Asia? This is one point. The second point is, what was the main subject of your discussion with the Japanese leaders?

Dr. Kissinger: Now, first of all, we have always believed that the friendship with Japan is an integral part of our foreign policy. We are convinced that we can normalize our relations with the People's Republic of China without in any way impairing the close relationship that exists between the United States and Japan, and I might

² For text of a U.S.-Democratic Republic of Viet-Nam communique issued at Washington and Hanoi Feb. 14, see BULLETIN of Mar. 5, 1973, p. 262.

add that we were under no pressure whatever from the People's Republic of China to loosen our friendly ties with Japan.

Secondly, with respect to Japan's role in Southeast Asia, I read with interest, and occasionally astonishment, the speculations in the Japanese press about the complicated motivation that may agitate us.

As far as the United States is concerned, we welcome a responsible role by Japan in Southeast Asia. We have no objection whatever to any Japanese assistance program to the Democratic Republic of Viet-Nam or to any other country of Indochina. Indeed, we believe that this would be a natural exercise of Japan's sense of responsibility for stability in Asia.

In no way do we consider ourselves competitors with Japan for the privilege of extending economic aid to any country of Southeast Asia.

What did I discuss with the leaders of Japan? Three days after leaving Tokyo there can be almost nothing left to reveal that is not already in the Japanese press. [Laughter.] I will only say that we briefed our Japanese allies in some detail about the discussions that I had had in the various capitals and we had very useful and very fruitful talks.

Q. Do the Japanese have a more open press policy than the United States?

Dr. Kissinger: I don't want to make any comparisons, but they have a very open press policy. [Laughter.]

Q. Why wasn't Japan invited to participate in the international guaranteeing conference?

Dr. Kissinger: The participants in the international guaranteeing conference were selected by agreement among the parties that negotiated the agreement. We had no objection to the participation of Japan, but we could not achieve unanimity about its membership in the conference.

Q. Dr. Kissinger, I wonder if you could comment on the Middle East situation, particularly after the incident in the Sinai and

prior to the visit here of Mr. Ismail [Hafez Ismail, National Security Adviser to the President of Egypt].

Dr. Kissinger: I have been so concentrated in the last few weeks on Asian affairs that I want to confine this briefing to my trip.

Reconstruction Aid to North Viet-Nam

Q. What is the nature of the commitment to North Viet-Nam to provide some kind of reconstruction aid? Is there a very firm commitment? Are they aware they may get nothing?

Dr. Kissinger: They are aware of our constitutional processes, although they have little experience with our legislative machinery. But the Economic Commission will study the problem. We will then make recommendations. And it is obvious that the fate of whatever recommendations we make depends on a decision by Congress, and we have made every effort to explain the nature of our constitutional system.

Q. On that same point, was the aid commitment a condition of the cease-fire agreement? There has been a debate developing here on this point.

Dr. Kissinger: No, it was always understood that the United States would not pay anything in the nature of reparations. It was always understood that except for expressing a general willingness to participate, the nature of our participation would be determined after the signature of the agreement.

Situation in Laos and Cambodia

Q. A two-part question. You have not mentioned your discussions in Hanoi concerning journalistic, cultural, scientific, or additional exchanges. Will the Economic Commission have in any way a preliminary role comparable to the liaison office in Peking? And secondly, could you tell us anything about your discussions in Hanoi concerning Laos and Cambodia and the prospect you see for the general completion of a peace agreement?

Dr. Kissinger: First, with respect to whether the Economic Commission will be a general clearinghouse similar to the liaison office that was established with the People's Republic of China. Primarily the Economic Commission will be concerned with the issues that have been assigned to it; that is to say, to study the economic relationship including the reconstruction problem, but not confined to the reconstruction problem, and perhaps the exchange of technical experts relevant to that problem.

Secondly, we have established or further elaborated already existing means of contact between the Democratic Republic and the United States, and those will be used for these other issues similar to the way the Paris channel was used between the People's Republic of China and the United States in the period prior to the establishment of the liaison office. So one would have to say that the process of normalization vis-a-vis Hanoi is at about the stage it was vis-a-vis Peking a year ago.

Now, with respect to Laos and Cambodia. The United States has always taken the position that article 20 (b) of the agreement provides for the withdrawal of foreign troops from both Laos and Cambodia, and indeed, no other interpretation of that article is possible.³ We therefore have strongly favored—and we had extensive discussions on this trip—a final arrangement in Laos and a settlement in Cambodia.

There now has been an agreement in Laos which was negotiated not by us, but by the Prime Minister of the Royal Laotian Government, Souvanna Phouma. This agreement essentially contains the practical provisions of the 1962 agreement with respect to political power and reflects the best judgment of the Royal Laotian Government about a free political evolution in their country. It provides for a cease-fire and for the withdrawal of North Vietnamese forces. This leaves only Cambodia still lacking a formal arrangement.

As I pointed out before, the situation in

Cambodia is complicated by the fact that there are three or four different groups rather than one homogeneous opposition group to the government that we recognize in Phnom Penh.

We had extensive discussions at all our stops about this problem, and we will work on a settlement in Cambodia with energy. We maintain that all foreign troops must be withdrawn from Cambodia.

Q. How big a factor is the possibility of aid to Hanoi in persuading them not to break the cease-fire agreement?

Dr. Kissinger: I would prefer not to put it on this basis. The big issue is not whether they will break the cease-fire agreement, because that obviously involves many consequences. The big problem is whether Indochina can be moved from a condition of guerrilla war or even open warfare to a condition in which the energies of the peoples of that region are concentrated on constructive purposes.

If that objective can be achieved, if that process can start for a period of three to four years, then any decision to resume the conflict by any of the parties will have to be taken in an environment of peace and against an experience of the population in tasks with which they have become almost totally unfamiliar.

So this is not a kind of ransom which we are paying for a specific undertaking to maintain the peace, because there are other reasons why the Democratic Republic of Viet-Nam should want to maintain the peace. It is, rather, a long-term investment in a structure of peace and in turning people whose whole experience has been with conflict, with guerrilla war, with hostility toward the outside world, into pursuits with which they are essentially unfamiliar. And this is our interest in the program and why we are willing to explore a program of reconstruction for all of Indochina.

Q. Did you see Prince Sihanouk?

Dr. Kissinger: No.

The press: Thank you, *Dr. Kissinger.*

³ For text of the Agreement on Ending the War and Restoring Peace in Viet-Nam signed at Paris Jan. 27, see BULLETIN of Feb. 12, 1973, p. 169.

U.S. Goals in International Trade and Monetary Affairs

*Address by President Nixon (Excerpts)*¹

Tomorrow I will send to the Congress the economic section of my state of the Union report.

One fact stands out above all others in this report: For the first time in nearly 20 years, we can look forward to genuine prosperity in a time of peace.

For most people, talking about the economy brings to mind some vast, complicated machine. Today I want to talk about the economy in personal terms—about its impact on you and your family.

Basically the economy affects you in three ways.

First, it affects your jobs, how plentiful they are, how secure they are, how good they are. Second, it affects what you take home from those jobs and how much you can buy with your income. And finally, it affects how much you can spend on your own and how much you have to pay back to the government in taxes.

Let me turn, finally, to one other major economic decision we made last week—our proposal to change the relative value of the dollar in trading abroad.

We took this step because of a serious trade imbalance which could threaten your prosperity. America has recently been buying more from other countries than they have been buying from us. Now, just as a company cannot go on indefinitely buying more than it sells, neither can a country.

Changing the exchange rate will help us change this picture. It means our exports will be priced more competitively in the international marketplace and they should therefore sell better. Our imports, on the other hand, will not grow as fast. But this

step must now be followed by reforms which are more basic.

First, we need a more flexible international monetary system, one that will lead to balance without crisis. The United States set forth fundamental proposals for such a system last September.² It is time for other nations to join us in getting action on these proposals.

Second, American products must get a fairer shake in world trade so that we can extend American markets and expand American jobs. If other countries make it harder for our products to be sold abroad, then our trade imbalance can only grow worse. That is why I will soon propose to the Congress new trade laws which would make it easier for us not only to lower our trade barriers when other countries lower theirs but also to raise our barriers when that is necessary to keep things fair.

Our overall goal is to reduce trade and investment barriers around the world, but they cannot decline for one country and remain high for others. My proposals will allow us to work more effectively for a new trading system which is equitable for all.

Even as we reduce the foreign barriers that keep us from competing abroad, we must also strengthen our ability to compete. This means working more efficiently as well as working hard, so that we can increase our productivity. It means taking greater pride in our work. It means fighting harder to slow inflation. And it means keeping Federal spending down.

If we do these things, 1973 can usher in a new era of prolonged and growing prosperity for the United States. Unlike past booms, this new prosperity will not depend on the artificial stimulus of war. It will not be eaten away by the blight of inflation. It will be solid. It will be steady. It will be sustainable.

If we act responsibly, this new prosperity can be ours for many years to come; if we don't, then as Franklin Roosevelt once warned, we could be "wrecked on (the) rocks of loose fiscal policy." The choices are ours. Let us choose responsible prosperity.

¹ Broadcast to the Nation on radio on Feb. 21; for the complete text, see *Weekly Compilation of Presidential Documents* dated Feb. 26, p. 167.

² For background, see *BULLETIN* of Oct. 23, 1972, p. 457.

Assistant Secretary Sisco Interviewed on "Face the Nation"

Following is the transcript of an interview with Joseph J. Sisco, Assistant Secretary for Near Eastern and South Asian Affairs, on the Columbia Broadcasting System's television and radio program "Face the Nation" on February 25. Interviewing Mr. Sisco were Robert Pierpoint, CBS News White House correspondent; Marilyn Berger, Washington Post; and George Herman, CBS News correspondent.

Mr. Herman: Mr. Sisco, what is the reaction of the U.S. Government to the shooting down of the Libyan plane by the Israelis?

Mr. Sisco: Mr. Herman, it's a major tragedy, and I think it reflects the deep schism and the emotionalism and the distrust that have long been existent in the Middle East. I would hope, however, that this latest tragedy results in a cogent reminder—that is, if we need a cogent reminder—that we've got to get on with the job of getting this problem, as President Nixon said, off dead center.

Mr. Herman: Mr. Sisco, let me put a sort of little conundrum to you. This incident in the Near East, where the Israelis shot down this passenger plane with over 100 dead, is the kind of thing which ordinarily would have the Arab nations in a propaganda uproar. They would be denouncing; they would be shouting from the rooftops. Instead, we have utmost restraint shown by all the nations. We have Arab leaders making statements that they are optimistic. We have Mohamed el-Zayyat, the Foreign Minister of Egypt, saying today to the Arab Ambassadors in Cairo that Egypt will pursue the path of peace. The impression that you get from studying all these things is the Arab countries feel that something is going on, that we are, as President Nixon said, as you just quoted him, about to get the Middle

Eastern crisis off of dead center. Is the United States about to undertake something which the Arabs know about and which we do not?

Mr. Sisco: Mr. Herman, President Nixon had some very useful discussions with King Hussein just two weeks ago. He had—he and Secretary Rogers, Deputy Secretary Rush, have had long and detailed, cordial, frank discussions with Mr. Ismail, the National Security Adviser of Egypt, who I might say made, in our judgment, an effective presentation of the Egyptian position. I think the important thing is this: that we do feel that this is a time for private diplomacy. We do feel that we need to explore thoroughly the views of all the parties, and that's the process that's going on, and this process will continue when the Israeli Prime Minister comes to our country next week.

Miss Berger: Mr. Sisco, clearly the United States is being very active in its diplomacy, as are the Middle Eastern nations, but the basic issues seem to be still very, very deep; the differences between the two sides are very, very deep. Egypt is still demanding total Israeli withdrawal; Israel is saying it will not. We've had an explosion in the Middle East, but things have not changed in the basics. Has something moved that you've seen in your talks with either King Hussein or Mr. Ismail?

Mr. Sisco: I think the atmosphere and the groundwork for possible further progress have been laid. You will notice that Mr. Ismail said on Friday that he thought these discussions were useful, at least in the sense that more cordial and less strained and more relaxed relations existed between Egypt and the United States. Miss Berger, I think you're absolutely right, the events that we've seen in the Middle East in the last few days

are symptomatic of the distrust that exists. The fundamental issues are there to be resolved, and the gap is wide; and for this reason the United States believes that we've got to approach the problem of the Arab-Israeli dispute on a step-by-step basis, looking toward what we can do to get a serious negotiating process started in the first instance.

Mr. Pierpoint: Mr. Secretary, you seem to imply that there is some reason for optimism in this very volatile situation, but you don't explain your optimism in any way. May I ask you a direct question? Did Mr. Ismail in his talks with President Nixon, or in his talks with Secretary of State Rogers, indicate that Egypt is willing to move toward direct talks with Israel?

Mr. Sisco: I don't want to get into the details of the discussions, Mr. Pierpoint, but I would remind you as to what President Nixon said just the other day, and that is that this is a problem with very deep difficulties, that it's unrealistic to think in terms of instant peace. I think the important thing is that there is dialogue and the important thing is that all of the governments, regardless of the fact that they have a different interpretation, are still committed to a political solution. And our efforts in the days ahead will be directed toward trying to get a serious process of dialogue started. This is the key as far as we're concerned, and we think the doors of diplomacy are open. I wouldn't want to be interpreted as saying that we're optimistic, because, as Miss Berger indicated a moment ago, the chasm on the overall settlement is wide indeed, but our hope is that if you can get some small process started that maybe this could lead to a practical step, a modest step, toward an eventual overall settlement, but none of us see this happening in the foreseeable future.

Mr. Herman: Is there a key behind the key? Is the United States and the Soviet Union and their relationship the key to this key that you speak of?

Mr. Sisco: Well, I think that—

Mr. Herman: I guess what I'm really ask-

ing is, has the key of American-Soviet détente been turned and is that now working for the Middle Eastern peace?

Mr. Sisco: When one talks about the Middle East, you can't talk about it apart from the overall relationships between the major powers. It was very significant, in my judgment, that at the summit last year in May, both the Soviet Union and the United States not only committed themselves to the goal of a political solution of the Arab-Israeli dispute based on the November 1967 Security Council resolution but they also adopted a declaration of principles with particular emphasis on no confrontation between the major powers. I think that clearly there is a parallelism of interest between ourselves and the Soviet Union to maintain the present cease-fire, as uneasy as it is, and I think both sides recognize that to the degree to which we can achieve concrete understandings with the Soviet Union in our own bilateral relationships, to the degree that President Nixon has taken the lead in opening the dialogue with Communist China—we are achieving concrete agreements with respect to the Soviet Union—doing what he has done on Viet-Nam—that this obviously improves the overall climate, and it has an impact on the Middle East as well as other troubled areas in the world.

Miss Berger: Mr. Sisco, given the fundamental differences that continue between the two sides and given the explosiveness of the situation which President Nixon underlined this week, do you feel the United States and the other big powers can sit by any longer and allow the situation to continue, or do you think the time has come for them to move together with a parallel interest to get a settlement in the Middle East?

Mr. Sisco: Miss Berger, we don't believe any major power or combination of major powers can develop the blueprint and impose it upon the parties. The United States has never seen itself as either a substitute for an agreement between the parties or a substitute for the actual process of negotiation itself. What we're trying to do is to get this

negotiating process started between the principals in the area. Now I don't say that the major powers don't have an influence or they don't have an interest—

Mr. Herman: Excuse me. Are we now active—that struck an interesting note—are we now actually trying, are we now embarked on an initiative to work actively to get the parties back together again?

Mr. Sisco: These discussions that are being held currently are in the context of exploring with all of the parties concerned as to what might be possible to get a serious negotiating process started. We are only in the exploratory stage. Further discussions will be held next week with Mrs. Meir, and then we will see.

Mr. Pierpoint: Mr. Secretary, this brings up the point of Mrs. Meir and the Israeli Government. We do have some influence on the Israelis. We do supply them with almost their entire military equipment, and obviously the Arabs feel that we are one-sided in our interest in this. Are we willing to put any pressure on the Israelis to give up any of the territories they took in the six-day war?

Mr. Sisco: First, Mr. Pierpoint, I reject the notion that we're one-sided. We've been active in the last four years with one objective in mind; namely, to try to achieve a durable peace within the framework of the November 1967 resolution that meets the legitimate concerns of both sides, of the Israelis, of the Arab states, and, I might add, the Palestinians, because there is no durable peace that can be achieved in this area without meeting the legitimate concerns of the Palestinians. And the United States in these negotiations, in these discussions, has tried to play a genuine, honest broker for one reason—that it's in our interest. The "no war, no peace" situation in the area does not serve our interests; it does not serve the common cause of peace.

Miss Berger: Mr. Sisco, the Egyptians are absolutely convinced, however, that the Israelis will not negotiate if they continue to be

assured of getting arms from the United States. And the very fact that they were American planes that were involved in the last incident just adds to their argument. What has the United States said to them that brings these remarks of optimism from the Egyptians now?

Mr. Sisco: Well, Miss Berger, I think first of all the word "optimism" is overdrawn. I don't believe anybody that I know officially either on our side or on the Egyptian side has used the word "optimistic." I think that one can hope that in the present circumstances all sides have a continuing interest in maintaining some semblance of communication and that the political solution is the objective, and as long as that's the case, then this offers opportunities for the United States, and it's for this reason that the President has said he's going to give this matter priority. This was the reason why he and Secretary Rogers have been active in exploring the possibility in recent weeks.

Mr. Pierpoint: Mr. Sisco, you did not answer my last question. I'm sure that was not altogether an oversight, but I'm going to try to repeat it, perhaps in a somewhat different way.

Mr. Sisco: We'll try to do better on the next one.

Mr. Pierpoint: Have we, in fact, applied any pressure on Israel, or are we going to when Mrs. Meir is here apply any pressure on Israel, to be somewhat more reasonable on giving up any of the territories it took in the '67 war?

Mr. Sisco: The question of pressure, Mr. Pierpoint, really misplaces the emphasis. What we're trying to do here is to get a genuine negotiating process started. It's within the context of a negotiating process that, hopefully, the United States can exercise influence. We cannot substitute ourselves for the parties; we're here and ready to play a constructive role in trying to help reconcile matters, but you've got to have a serious dialogue going in which the United States can play a role.

Mr. Pierpoint: Are we still going to give Israel or loan Israel the money to buy more sincurs of war, the half a billion dollars that I believe is now in the pipeline?

Mr. Sisco: On that, may I say that I'm sure that the discussions next week will cover all aspects of the situation. There are no new decisions to be reported. The question of the maintenance of the balance has been one of the many cardinal principles of our policy. As far as we're concerned, the principal focus of matters in the coming days needs to be on how you get this negotiating process started.

Mr. Herman: Let me take you back to the opening question for just a moment again. Do you think that this incident of the airplane shot down, the Libyan plane shot down by the Israelis, has shaken this process, this atmosphere and groundwork which you say have been laid toward serious dialogue?

Mr. Sisco: No. I detect a very deep and searching scrutiny throughout the Middle East. I see it in public opinion in Israel; I see it in the manifestations of deep sorrow and restraint which have been characteristic of the last 48 hours in the entire Arab world. I'm convinced that one of the things which the cease-fire which the United States negotiated 30 months ago has helped bring about in the area is some feeling that peace at least is possible, as difficult as the issues are, and I think frankly that both sides would like to find a way to coexist, and that's why I feel the doors of diplomacy remain open.

Miss Berger: Do you think there's any possibility of a dialogue at this point unless the Israelis make a commitment to withdraw from the Arab lands they're occupied?

Mr. Sisco: Well, again, Miss Berger, you know as well as I do that the question of evacuation of territories is key in the views of the Arab world. On the Israeli side, the principal emphasis is on security. This is the kind of issue, in our judgment, that needs seriously to be negotiated between the two sides.

Mr. Pierpoint: Mr. Secretary, what would

you like to hear from Israeli Prime Minister Golda Meir when she comes here? What would be an encouraging, optimistic sign to you?

Mr. Sisco: Well, obviously, I'm not going to try to second-guess at this particular point. I'm sure that there'll be an opportunity to get into the present climate in the Middle East, the present possibilities in terms of progress, as well as the long-range prospects. We would hope that as a result of these discussions, in time this negotiating process can start. Now, I sound a little bit like the broken record; but I want to stress this, and I obviously am.

Mr. Herman: Well, let me make you sound a little more like a broken record. Scattered throughout this entire interview there have been references to this process, and I'd like, if I can, to get some kind of a feeling for it. You say—at one point you said we are exploring the views of all countries; at another point you say the atmosphere and the groundwork have been laid. I'd like to know when you think this actually started, realistically; how long you think this phase is going to last; and when or what the next phase is likely to be. I understand diplomats can't give precise timetables, but I'd like some feeling for what's going on.

Mr. Sisco: Well, Mr. Herman, I'd be very foolhardy in trying to place a time schedule, because I've long felt that unfortunately, and very regretfully, the history of the Middle East has been a history of lost opportunities. I think there is an opportunity today, without being optimistic, and this has been a continuous process. We've been active on this matter for the last four years, and I think that the occasion of these high-level visits has given a good opportunity for everybody concerned for communication at the best kind of level; namely, at the top. We welcomed the visit of the Egyptian leader—the first, by the way, at this level since Secretary Rogers was in the area about 18 months ago.

Mr. Herman: Now, they called that a major new diplomatic initiative, and if it is a

new initiative—that's why I'm trying to get some feeling for how you—

Mr. Sisco: Again, I think the word "initiative" carries the connotation that what we have in mind is some rather huge and grandiose substantive peace plan to impose on the parties. Our objective is much more modest than this, Mr. Herman. Our objective is to try to break the present impasse and to get this negotiating process between the parties started.

Mr. Herman: Now what's the impasse?

Mr. Sisco: The impasse is that a year ago Israel indicated a willingness to engage in discussions looking toward an interim Suez Canal agreement. Our Egyptian friends have laid emphasis, as Miss Berger has indicated, on the need to know what comes at the end of the line of any discussion regarding the first phase or an interim phase; namely, the insistence on a prior commitment to total evacuation from Egyptian territory. And as long as these two positions are maintained precisely in these terms, obviously the impasse will continue.

Mr. Pierpoint: Well, have these two positions begun to give on either side and, if so, where?

Mr. Sisco: No, Mr. Pierpoint, I don't, again, want to give you any impression that there have been any new surprises, as our spokesman said on Friday, or there's been any basic change in the fundamental positions of both sides. What I'm trying to say is that it's clear that all concerned seem to want to maintain communication and seem to want to pursue further discussions, and as long as that's the case, while people are willing to talk, there's hope.

Miss Berger: Secretary Rogers keeps talking about an interim agreement and linking it to Resolution 242, which speaks about an overall settlement of the Middle East area. Is that kind of linkage, which would have the Israelis withdrawing partly from the canal, something that the Egyptians are beginning to find more acceptable than they did before?

Mr. Sisco: Well, I would not really want to characterize the Egyptian position on this precise point one way or another, but I will say this, Miss Berger: Our view has been clear all the way along—and Secretary Rogers reiterated this on the Hill just a few days ago—we do not see an interim agreement or an interim arrangement as an end in itself. We do believe that it has to be linked to further on-going efforts to achieve the overall settlement that is called for in the November 1967 resolution. I think that's been clearly the U.S. position for a long time.

Mr. Pierpoint: What form might this dialogue take? For instance, there have been indications that some Arab leaders would like to have Henry Kissinger, the great international negotiator, move into this area. Is that a possibility?

Mr. Sisco: Well, let me say, Mr. Pierpoint, I rather expected some comment to this effect, and that is—you know, I'm saying this in a very kindly way, but our press has a tendency to report foreign policy on the basis of box score—you'll forgive me, I'm a former sports editor—who's up and who's down, who's winning and who's losing. The important thing about this problem, as other problems, is that it's the President of the United States that makes the decisions as to what the policy is and how it will be carried out.

Miss Berger: Mr. Sisco, the President went back to his very first statement on the Middle East this week when he talked about the explosive situation. In 1969 he called the area a powder keg. You might recall this had the Israelis very, very upset because they were seeking a hands-off attitude by the major powers. Does President Nixon's statement this week indicate a great new move by the United States to settle the issue? Does he want to get a settlement there as he did in Viet-Nam?

Mr. Sisco: Oh, I think President Nixon has made very, very clear in the last 48 hours that he is giving this matter priority; he's determined, in his own words, to get this problem off dead center. He welcomed the

Egyptian representative and was sure, and it's been confirmed since, that we've had useful discussions, but none of us—and President Nixon made this very clear the other day as well—none of us feel that, given the deep divisions, instant peace is possible. We would like to see this matter develop on a step-by-step basis, and we'd like to contribute to that process, and we're available to the parties if they think we can be helpful.

Miss Berger: We're not going to insist on it?

Mr. Sisco: I think I've answered your question.

Mr. Herman: One of the things perhaps that confuses people who are trying to figure out what's up, what's down, where the United States stands, is that on the one hand we've been providing aid to Israel; we've been talking about cooling things down in the Middle East; we're now providing a three-year program of aid to the army in Jordan, \$4 billion to Iran. Are we really cooling things down? Or are we acting as munitions brokers?

Mr. Sisco: Oh, I think we are. Regardless of the recent incidents, I'm convinced that the status quo today is much better than it has been in the last several years. Not only is the 30-month cease-fire in existence, the situation in Jordan is more stable, and regardless of the incidents along the Lebanese-Israeli border and the Syrian-Israeli border, the fact of the matter is that these have been limited to incidents, and above all, Mr. Herman, the possibility of confrontation between ourselves and the Soviet Union, as a result of the discussions between President Nixon last May and Mr. Brezhnev [Leonid I. Brezhnev, General Secretary of the Soviet Communist Party] and the decision taken by President Sadat, the possibility of confrontation has been sharply reduced in the area.

Miss Berger: Do you think the Russians no longer want a state of controlled tension in the Middle East?

Mr. Sisco: Well, again, I don't want to

speculate on this. I think I've answered your question when I say that I'm convinced that both we and the Soviet Union see it to be in our interest that this cease-fire is maintained and that efforts continue to try to achieve practical progress toward an overall settlement.

Mr. Herman: How's our controlled tension with Mrs. Gandhi, the Prime Minister of India? Are we now back on a more friendly relationship with her?

Mr. Sisco: Well, I think, Mr. Herman, you've seen the public pronouncements that have come out both from the United States and Delhi in recent weeks. Ambassador Moynihan is on the scene. I think the conditions do exist and there's a mutuality of interest between ourselves and India for an improvement of relationships. I think both the Indians and the Pakistanis are to be commended for the Simla agreements; I think it's remarkable that these people have been able to achieve the kind of understanding within a year as the aftermath to the war; and I think that the President's appointment of an outstanding figure such as Ambassador Moynihan confirms the importance that the U.S. Government attaches to not only stability in the subcontinent and continuing good relationships with Pakistan and with Bangladesh but likewise with India.

Mr. Pierpoint: Mr. Sisco, the President just this past week appointed a new special consultant on energy. Oil is obviously one of the most important factors in the Middle East right now. Is the fact that the Arabs control so much of our future energy one of the reasons why the United States is now so anxious and perhaps Israel, to some extent, so anxious to move toward a settlement?

Mr. Sisco: Access to oil is obviously a factor, Mr. Pierpoint, and for this reason, not only do we enjoy what is obviously a special relationship with Israel, but we are pursuing a policy of developing and deepening our relationships, the friendship with the Arab world, and we do have good relationships with a good many Arab countries, and even with those

that we differ the important thing is, as demonstrated in the last 48 hours in our discussions with the Egyptians, we're talking about the problems.

Miss Berger: Does Egypt want diplomatic relations with us again now?

Mr. Sisco: Well, our position on this, Miss Berger, has always been that we're prepared to resume diplomatic relations—

Miss Berger: Are they prepared?

Mr. Sisco: —without conditions at any time. I believe it's fair to say that the Egyptian Government would, in the first instance, like to see some practical progress toward a settlement.

Mr. Herman: Thirty seconds left. Let me ask you whether you think the situation of democracy in Greece is making any progress, whether the government there, after all the recent strikes, is moving at all toward greater democracy or away from it.

Mr. Sisco: Well, let me just say on that, obviously, in our judgment, this is an internal matter for the Greek Government itself to decide. I've noticed developments in the last two or three days; what they do and how they handle that, this is really up to the Greek leadership.

President Reports to the Congress on the Economy

Following are excerpts from a message from President Nixon to the Congress transmitted on February 22.¹

To the Congress of the United States:

Today, in this third section of my 1973 State of the Union Message, I wish to report on the state of our economy and to urge the Congress to join with me in building the foundations for a new era of prosperity in the United States.

The state of our Union depends fundamentally on the state of our economy. I am

pleased to report that our economic prospects are very bright. For the first time in nearly 20 years, we can look forward to a period of genuine prosperity in a time of peace. We can, in fact, achieve the most bountiful prosperity that this Nation has ever known.

That goal can only be attained, however, if we discipline ourselves and unite on certain basic policies:

—We must be restrained in Federal spending.

—We must show reasonableness in labor-management relations.

—We must comply fully with the new Phase III requirements of our economic stabilization program.

—We must continue our battle to hold down the price of food.

—And we must vigorously meet the challenge of foreign trading competition.

It is clear to me that the American people stand firmly together in support of these policies. Their President stands with them. And as Members of the 93rd Congress consider the alternatives before us this year, I am confident that they, too, will join in this great endeavor.

THE INTERNATIONAL CHALLENGE

In recent years, the attention of Americans has increasingly turned to the serious questions confronting us in international trade and in the monetary arena.

This is no longer the era in which the United States, preeminent in science, marketing and services, can dominate world markets with the advanced products of our technology and our advanced means of production.

This is no longer the era in which the United States can automatically sell more abroad than we purchase from foreign countries.

We face new challenges in international competition and are thus in a period of sub-

¹ For the complete text, see Weekly Compilation of Presidential Documents dated Feb. 26, p. 175; also printed as H. Doc. 93-48, 93d Cong., 1st sess.

stantial adjustment in our relations with our trading partners.

One consequence of these developments was the step we took last week to change the relative value of the dollar in trading abroad.

We took this step because of a serious trade imbalance which could threaten the mounting prosperity of our people. America has been buying more from other countries than they have been buying from us. And just as a family or a company cannot go on indefinitely buying more than it sells, neither can a country.

Changing the exchange rates will help us change this picture. It means our exports will be priced more competitively in the international marketplace and should therefore sell better. Our imports, on the other hand, will not grow as fast.

But this step must now be followed by reforms which are more basic.

First, we need a more flexible international monetary system, one that will lead to balance without crisis. The United States set forth fundamental proposals for such a system last September.² It is time for other nations to join us in getting action on these proposals.

Secondly, American products must get a fairer shake in a more open world trading system—so that we can extend American markets and expand American jobs. If other countries make it harder for our products to be sold abroad, then our trade imbalance can only grow worse.

RICHARD NIXON.

THE WHITE HOUSE, *February 22, 1973.*

² For background, see BULLETIN of Oct. 23, 1972, p. 457.

Claims for Certain Losses Incurred During Nigerian Civil War

Following is a Department announcement issued February 27.

Press release 50 dated February 27

The American Embassy in Lagos has informed the Department that the Federal Military Government of Nigeria has announced that it will consider making *ex gratia* payments to the following categories of persons for losses incurred during the Nigerian civil war:

i. Civilians who were impressed into the Nigerian armed forces during the war to carry out specific military duties and who in the process of executing these assignments lost their lives or suffered personal injuries or loss of property; and

ii. Expatriates or non-Nigerian citizens who sustained damage or injuries as a result of military acts which took place outside the main theaters of war and which were not directly related to the war operations. The "main theaters of war" include the three Eastern States and Mid-Western State.

American nationals with claims related to either of the above categories are advised to forward their claims with supporting evidence without delay to the following address: Central Planning Office, Federal Ministry of Economic Development and Reconstruction, Room 2105, Independence Building, Lagos, Nigeria. All claims must be filed by March 31, 1973.

The Federal Military Government indicated that it had rejected all claims for compensation which did not fall within the above categories.

The United States and Thailand in a New Era

*Address by Leonard Unger
Ambassador to Thailand*¹

Another year has gone by, and the chamber is inaugurating its new season of luncheon meetings. You've been kind enough to ask me once again to kick off the new year, and I wish I could say something significant about negotiations and peace. However, I'll have to leave that for others to announce when the right time comes. Still, there's a good deal that's happened over the past year and is in sight for the year to come which for us, living in Southeast Asia very near to the scene of action, is worth examining.

I need not recall that the United States and Thailand have been constant allies for more than two decades. We have worked together in a collective security framework in resisting external aggression and in the support of national independence in Korea and in the protracted and costly conflict in Indochina. We have done this because we share a fundamental belief in the right of people everywhere to determine their own futures.

Hopefully, we are on the threshold of a period of peace in Southeast Asia in which this goal will be realized for Viet-Nam, Laos, and Cambodia. Just as Thailand has had a key role in achieving the peace, Thailand may also have a special role in making the peace work. Assuming that a settlement is reached, there will be a time of implementation and testing immediately thereafter. In this period it will be extremely important, as Prime Minister Thanom has already in-

dicated, that sufficient strength be maintained in the area, ready and available to deter violations of the agreement if these should occur. And beyond this first period and farther down the road, there lie the tasks of forging a new pattern of relations which preserves the independence of the small nations of the area whose fate has been in the balance for so many years. Only in this way can we achieve the generation of peace we seek. President Nixon has said:

Peace cannot be wished into being. It has to be carefully and painstakingly built in many ways and on many fronts, through networks of alliances, through respect for commitments, through patient negotiations, through balancing military forces and expanding economic interdependence, through reaching one agreement that opens the way to others. . .

Thus we appear to be nearing the close of the first phase of the Nixon doctrine, in which we have developed an understanding with the nations of the region that they would bear an increasing share of responsibility for their own security as our forces have been withdrawn from Viet-Nam. At the same time we have continued and mean to continue the assistance, military and economic, which we feel is essential to the continued stability of this region and to our role as a Pacific power.

Looking beyond the region and taking a world perspective, it would appear that we are now also in transition between the post-

¹ Made before the American Chamber of Commerce at Bangkok on Jan. 17.

² For President Nixon's radio address to the Nation on Nov. 4, 1972, see BULLETIN of Nov. 27, 1972, p. 624.

World War II cold war and movement into a new and as yet not clearly defined era. Throughout the world, governments and elements within divided nations are talking with each other to a degree unknown during the years since World War II. How many of us would have dared to predict that by New Year's 1973 these developments would have occurred:

Item: The Federal Republic of Germany and the German Democratic Republic have negotiated a treaty as a step toward normalizing their relations.

Item: North and South Korea began talks and established a committee to examine problems of unification.

Item: Strategic arms limitation treaty talks were successfully conducted.

Item: The nations of Europe, of NATO, and of the Warsaw Pact are meeting in a European Security Conference, and preparations are underway for negotiations on mutual and balanced reduction of armed forces in central Europe.

Item: And as I referred to earlier, serious negotiations are underway, and we hope soon to be in the presence of a resolution of the Indochina war.

Few observers of the international scene foresaw such rapid and profound changes. I am proud that the President of the United States has had the imagination and moral courage to translate the universal wish for peace into bold initiatives that have helped open the way for change in the international scene and at the same time has continued to honor our commitments to allies. Among our initiatives for peace and stability the most dramatic and notable have been:

—The President of the United States met with Chinese leaders in the People's Republic of China.

—The American President visited Moscow for the first time and met with leaders of the Soviet Union.

—The United States and the Soviet Union signed the first agreement limiting nuclear arms.

—Lend-lease debts were settled with the

Soviet Union, and we entered into a broad new trade agreement with that country.

—Okinawa was returned to Japan.

—A vigorous search for peace in Indochina continues.

—Finally, important proposals were made by the United States to make the international economic system function more smoothly, taking into account certain basic changes in the world of business, trade, and finance which have taken place since the now remote days of Bretton Woods and the Marshall plan, when the United States alone represented economic and financial strength.

Since this is a Chamber of Commerce meeting, let me dwell a little more closely on this point and suggest that in the economic sector as well, a new era has arrived and that new policies are needed to deal with it. Just one year ago from this rostrum I spoke on "A New Environment for American Business in Thailand." I also read out to you a telegram then just received from Secretary of State Rogers. It announced that Mr. Willis C. Armstrong, former president of the United States Council of the International Chamber of Commerce, had just been sworn in as Assistant Secretary for Economic Affairs in the Department of State. It also declared that "we need new and increasingly imaginative ways to help American business to strengthen our export position" and admonished the Embassy to give this aspect of its work increased emphasis. This we have done.

Also about that time, the then Secretary of Commerce, Peter G. Peterson, in an address to the White House Conference on the Industrial World Ahead stated, among other things, that the Smithsonian agreement of the previous December on international exchange rates marked the end of Phase I of our government's efforts to improve our international economic competitive position. Phase II he announced as the initiation of "major negotiations toward a more open and equitable trading system and achieving significant monetary reform. . . ." These are taking place. He also declared that Phase III was essential to complete the process, and to

define this phase he repeated the following remarks of President Nixon made at the same conference: "We have got to learn once again to compete in the world—and the only way we can compete is on the basis of our own productivity." This is a challenge to you gentlemen here, with the Embassy as your more than willing assistant.

The trading environment for U.S. business improved considerably during 1972, but we still have a long way to go before we can relax, considering our balance of trade and balance of payment statistics.

Trends and Issues in International Affairs

Now, returning to the international political scene, I see a significant trend which will shape the period ahead. This is the fact that several centers of power and influence are replacing the bipolar pattern of confrontation and cold war which had been dominant throughout the last quarter century. In these circumstances new vistas are opening out which encourage a wider and freer play of relations among the world's nations, large and small. The free-world vs. Communist-bloc confrontation should be replaced by a new kind of equilibrium which is complex but carries in it less danger of armed conflict and leaves open for all nations more options for negotiation and mutual accommodation on acceptable terms. But like all transitional periods, this one can be dangerous. Real peace must be slowly and carefully built on the new basis. Meanwhile, we must keep up our strength and guard against abuses by those who might wrongly regard our desire for peace as weakness. We also can have only limited confidence in the viability of a new system unless it can effectively prevent such interference of one nation in the internal affairs of another as the support of an insurgency.

Regional groupings and international bodies can be expected to assume an ever more important role in the period ahead. Nations in many parts of the world are beginning to talk, to work together, and to identify common objectives in a way we would have regarded as inconceivable only a

few short years ago. Nation-states here and there have begun to give up some of their sovereignty in favor of some larger community of nations. The European Community is the most notable illustration of this point, but there are other still-tender growths such as ASEAN [Association of Southeast Asian Nations] which are likely to take on increasing significance as time passes.

Also, in the new world where better communications have shrunk the globe, certain issues have inevitably become priority international questions. Many of these issues are related to technological advances and the increased travel of people and exchange of commodities among nations. The Secretary of State mentioned in a report to the Congress such areas as "drug abuse, pollution, population growth, exploitation of the deep seabed, peaceful uses of nuclear energy, beneficial applications of space technology, and protection of man's cultural heritage."³ The prevention of terrorist acts is another case in point—and incidentally, this recalls the masterful handling by the Royal Thai Government of the recent seizure of the Israeli Embassy here by Palestine terrorists.

Effect of Emergence of New Power Centers

Against this broad background of the new era in international affairs, let us look more specifically at the effect on relations between the United States and Thailand.

Just what is the effect of the emergence of new power centers in a changing world? Power, defined in political, economic, and military terms, is no longer a near-monopoly of the United States and the Soviet Union. Western Europe, Japan, and China have also moved to the front of the world stage.

Thailand has recognized this and has begun to explore the possibilities and modalities of contacts with countries from which it was formerly isolated. The visit of Minister Prasit [Prasit Kanchanawat, Minister of Commerce] to Peking made an excellent be-

³ *United States Foreign Policy 1971: A Report of the Secretary of State* (Department of State publication 8634); for an excerpt from the report, see BULLETIN of Mar. 27, 1972, p. 459.

ginning. At the same time the Thai leaders have wisely cautioned their people against too great a hope for fuller relationships, at least as long as there is foreign inspired and promoted insurgency in Thailand.

The United States welcomes such an opening of channels of communications through which disagreements and conflicts can be aired. It is important, of course, that in this process no nation is forced to compromise its integrity or yield to blackmail. I believe, incidentally, that Thailand's ability to work out satisfactorily a broader set of international relationships with the P.R.C. and others will be enhanced by the continuation of a close and valid U.S.-Thai relationship, even though less intense in nature than has been necessary when we have been cooperating in collective security actions in Indochina.

Thailand also participates in a number of regional endeavors. These do not involve the United States for the most part, as a direct participant, but we have sought to encourage the growth of such activities since we recognize their present and potential importance. The Southeast Asian Ministers of Education Organization, the Asian Institute of Technology, the Southeast Asian Fisheries Development Center, and the Economic Cooperation Center for Asia and Pacific Region all make their headquarters in Bangkok. Of particular importance has been the Mekong Committee, which has already made substantial contributions to the area and whose solid planning gives promise of much more in the future.

There has also been effort to create greater political cooperation on a regional basis, and Thailand and other members of the Association of Southeast Asian Nations are looking toward greater regional strength through organization and consultation.

Continuing U.S.-Thai Cooperation

Thailand and the United States are already working together in several of those new fields where technology and a shrinking world make international cooperation imperative.

There has been notable progress by the Royal Thai Government in its efforts to curtail the traffic over its borders in dangerous drugs, a substantial portion of which is destined illicitly for the United States. At the same time there is increased recognition of a growing problem of drug abuse in this society that must be attended to. I am confident that our mutually advantageous collaboration in this area will continue.

We are also working together on population problems, and through exchange of students, professors, conferences, reports, et cetera, we are sharing technological information in many fields. Thailand and the entire world are reaping benefits in mapping, navigation, mineral exploration, weather prediction, agricultural production, and satellite communications from space technology. I hope to see us more active in the protection of the natural world against spoliation and pollution and in the preservation of man's cultural heritage, a rich treasure whose values and traditions must be guarded in the rapidly changing world community.

In the realm of business, trade, and finance, Thai-American cooperation continued very much as in the past, generally unaffected by the major international developments I mentioned earlier. Trade has expanded along with tourism, and investment continues. There were two Royal Thai Government initiatives during the year that have raised questions which we and the Thai Government are currently exploring to ascertain their practical implications, including their impact on our existing treaty relations. These are the Alien Business Decree of late November and the more recent Alien Occupation Decree. The problem is the uncertainty created in the minds of businessmen operating here and of investors looking at Thailand as a possible site for investment.

Another subject of current interest to our two governments is the projected opening in 1973 of major negotiations under the General Agreement on Tariffs and Trade to bring about a further reduction of worldwide barriers to trade and investment. One clear difference between this round and those earlier

will be greater preoccupation of our negotiators with the problems and demands of the developing countries, including Thailand.

Our objective will continue to be, to the maximum extent practicable, to be responsive to the demands of the developing nations for world trading arrangements that will encourage their exports and advance their objectives of accelerated economic growth. As an augury of our continued good intentions, although admittedly a small one as yet, we have created opportunities for Thai manufacturers to compete for exports to the Indochina area financed by U.S. economic assistance. Should similar arrangements be possible for Thai companies, both domestic and foreign owned, to compete as suppliers for the massive aid funds from all sources that are anticipated for the reconstruction of Indochina, the benefits to the Thai economy could be impressive indeed. Private industry would grow, and foreign exchange required for Thailand's development efforts would be earned.

Finally, I return to the characteristic of the emerging new era that underlies United States-Thai relationships and makes us partners in seeking peace and working together in measures to maintain it, in collaborating in regional and international organizations, in meeting technology-related problems, and in economic development.

The United States is a Pacific power, and our foreign policy will remain keyed to this. Thailand is the heart of Southeast Asia and critically situated in the Pacific area. It has taken the lead in Southeast Asian cooperation and has consistently improved the conditions of life for its own people and sought to provide for the national security, internal and external. To help in those endeavors, the United States has had bilateral agreements with Thailand on economic and military assistance since 1950. Presently a relatively large number of U.S. military personnel are in Thailand with the approval and support of the Royal Thai Government in connection with Indochina hostilities. In the event of an Indochina settlement, these numbers will of course be scaled down in consultation with

the Thai Government to assure at any given time a presence appropriate to the situation at hand.

Our help in security and development is given only where and when desired and requested. As Marshall Green, the Assistant Secretary of State for East Asian and Pacific Affairs, stated recently:

The Principles of the Nixon Doctrine provide a basic framework within which our two nations can work together with others to meet the challenges of change in Asia. We will stand by our security commitment to Thailand. . . . While security issues have dominated our relations in recent years, there has also been a broad commonality of interests in achieving economic and social progress, which has spread mutual activity on many fronts and will remain a basic determinant of our relationships in the future.

Today we have examined the emergence of a new era of international relations, its characteristics and its implications for Thai-United States relations. For more than two decades Thailand and the United States have been allies and coworkers for common goals. Old friends are the best friends, and so it is between our two nations. We have worked closely together to achieve the peace; we will continue this cooperation in the peaceful world which we hope will soon be at hand to insure the sacrifices we both have made will not have been in vain.

U.S.-Japan Medical Science Program Report Transmitted to Congress

*President Nixon's Letter of Transmittal*¹

To the Congress of the United States:

I am pleased to send to the Congress the Sixth Annual Report of the United States-Japan Cooperative Medical Science Program.

This joint research effort in the medical sciences was undertaken in 1965 following a meeting between the Prime Minister of Japan and the President of the United States.

¹ Transmitted on Jan. 26 (White House press release); also printed as H. Doc. 93-44, 93d Cong. 1st sess., which includes the full text of the report.

During 1972 it continued to concentrate on research in the prevention and cure of a number of diseases which are widespread in Asia.

In addition, during the past year, the scientific scope of this program was enlarged to include studies of methods to evaluate certain types of cancer which may be related to environmental pollution. A detailed review of the program's activities in leprosy and parasitic diseases was also completed, and a decision made to continue work in these areas.

The sustained success of this biomedical research program reflects its careful management, its continuously refined scientific focus, and the strong commitment to it by both of our countries. The increasingly effective research planning and communication between investigators in our two countries has intensified our scientific productivity and strengthened our determination to work together toward better health for all mankind.

RICHARD NIXON.

THE WHITE HOUSE, *January 26, 1973.*

Congressional Documents Relating to Foreign Policy

92d Congress, 2d Session

Science, Technology, and American Diplomacy. The Mekong Project: Opportunities and Problems of Regionalism. Prepared for the Subcommittee on National Security Policy and Scientific Developments of the House Committee on Foreign Affairs by Franklin P. Huddle, Science Policy Research Division, Congressional Research Service, Library of Congress. May 1972. 70 pp.

Treasury Department Management of U.S. Participation in the Inter-American Development Bank. Hearing before the Subcommittee on Inter-American Affairs of the House Committee on Foreign Affairs. September 21, 1972. 120 pp.

Summary of Activities. A Report of the Committee on Banking and Currency, House of Representatives. H. Rept. 92-1623. December 14, 1972. 63 pp.

Report of Legislative Review Activity of the Committee on Ways and Means, U.S. House of Representatives, for the 92d Congress. H. Rept. 92-1631. January 2, 1973. 7 pp.

TREATY INFORMATION

Current Actions

MULTILATERAL

Astronauts

Agreement on the rescue of astronauts, the return of astronauts, and the return of objects launched into outer space. Opened for signature at Washington, London, and Moscow April 22, 1968. Entered into force December 3, 1968. TIAS 6599.

Accession deposited: Brazil, February 27, 1973.

Atomic Energy

Protocol suspending the agreement of July 15, 1968 (TIAS 6524), between the International Atomic Energy Agency, the Philippines, and the United States for the application of safeguards and providing for the application of safeguards pursuant to the nonproliferation treaty of July 1, 1968 (TIAS 6839). Signed at Vienna February 21, 1973. Enters into force on the same date as the treaty safeguards agreement.

Signatures: International Atomic Energy Agency, Philippines, United States.

Aviation

Convention for the suppression of unlawful acts against the safety of civil aviation. Done at Montreal September 23, 1971. Entered into force January 26, 1973. TIAS 7570.

Proclaimed by the President: February 28, 1973.

Biological Weapons

Convention on the prohibition of the development, production and stockpiling of bacteriological (biological) and toxin weapons and on their destruction. Done at Washington, London, and Moscow April 10, 1972.¹

Ratifications deposited: Brazil, February 27, 1973; Denmark, March 1, 1973.

Conservation

Convention on international trade in endangered species of wild fauna and flora. Done at Washington March 3, 1973. Enters into force 90 days after the date of deposit of the 10th instrument of ratification, acceptance, approval, or accession.

Signatures: Argentina, Belgium, Brazil, Costa Rica, Cyprus, Denmark, France, Federal Republic of Germany, Guatemala, Iran, Italy, Luxembourg, Mauritius, Panama, Philippines, South Africa, Thailand, United Kingdom, United States, Venezuela, Republic of Vietnam, March 3, 1973.

¹ Not in force.

Consular Relations

Vienna convention on consular relations. Done at Vienna April 24, 1963. Entered into force March 19, 1967; for the United States December 24, 1969. TIAS 6820.

Ratification deposited: Denmark (with a reservation and declarations), November 15, 1972.

Optional protocol to the Vienna convention on consular relations concerning the acquisition of nationality. Done at Vienna April 24, 1963. Entered into force March 19, 1967.²

Ratification deposited: Denmark, November 15, 1972.

Optional protocol to the Vienna convention on consular relations concerning the compulsory settlement of disputes. Done at Vienna April 24, 1963. Entered into force March 19, 1967; for the United States December 24, 1969. TIAS 6820.

Ratification deposited: Denmark, November 15, 1972.

Copyright

Universal copyright convention. Done at Geneva September 6, 1952. Entered into force September 16, 1955. TIAS 3324.

Accession deposited: Union of Soviet Socialist Republics, February 27, 1973.

Genocide

Convention on the prevention and punishment of the crime of genocide. Done at Paris December 9, 1948. Entered into force January 12, 1951.²

Notification of succession: Fiji, January 11, 1973.

Racial Discrimination

International convention on the elimination of all forms of racial discrimination. Done at New York December 21, 1965. Entered into force January 4, 1969.²

Accession deposited: Ivory Coast, January 4, 1973.

Safety at Sea

Convention on the international regulations for preventing collisions at sea, 1972. Done at London October 20, 1972.¹

Signature: Switzerland (subject to ratification), January 24, 1973.

Telecommunications

Partial revision of the radio regulations, 1959, as amended (TIAS 4893, 5603), to put into effect a revised frequency allotment plan for the aeronautical mobile (R) service and related information, with annexes. Done at Geneva April 29, 1966. Entered into force July 1, 1967; for the United States August 23, 1967; except the frequency allotment plan contained in appendix 27 entered into force April 10, 1970. TIAS 6332.

Notification of approval: Finland, December 22, 1972.

Partial revision of the 1959 radio regulations, as amended (TIAS 4893, 5603, 6332, 6590), on space

telecommunications, with annexes. Done at Geneva July 17, 1971. Entered into force January 1, 1973. TIAS 7435.

Notifications of approval: Canada, December 28, 1972; Finland, December 22, 1972; Overseas territories for the international relations of which the United Kingdom is responsible, December 20, 1972.

BILATERAL

Afghanistan

Agreement for sales of agricultural commodities, relating to the agreement of July 19, 1967 (TIAS 6322). Signed at Kabul February 21, 1973. Entered into force February 21, 1973.

European Atomic Energy Community

Amendment to the additional agreement of June 11, 1960, as amended (TIAS 4650, 5104, 5444), for cooperation concerning peaceful uses of atomic energy. Signed at Washington September 20, 1972. *Entered into force:* February 28, 1973.

Union of Soviet Socialist Republics

Agreement extending the agreement of December 11, 1970 (TIAS 7009), and the protocol of February 2, 1971 (TIAS 7043), on certain fishery problems on the high seas in the western areas of the middle Atlantic Ocean. Signed at Moscow February 21, 1973. Entered into force February 21, 1973.

Agreement relating to fishing operations in the northeastern Pacific Ocean. Signed at Moscow February 21, 1973. Entered into force February 21, 1973.

Agreement relating to fishing for king and tanner crab, with appendix. Signed at Moscow February 21, 1973. Entered into force February 21, 1973.

Agreement relating to the consideration of claims resulting from damage to fishing vessels or gear and measures to prevent fishing conflicts, with annex and protocol. Signed at Moscow February 21, 1973. Entered into force February 21, 1973.

Agreement on certain fisheries problems in the northeastern part of the Pacific Ocean off the coast of the United States of America. Signed at Moscow February 21, 1973. Entered into force February 21, 1973.

Yugoslavia

Agreement on the establishment of a U.S. information center in Skopje in accordance with the terms of the memorandum of understanding of June 14, 1961 (TIAS 6753), with exchange of letters. Signed at Belgrade April 13, 1972. *Entered into force definitively:* January 31, 1973.

¹ Not in force.

² Not in force for the United States.

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Press releases may be obtained from the Office of Press Relations, Department of State, Washington D.C. 20520.

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+51	3/1	Congressional delegation to participate at International Conference on Viet-Nam.
+52	3/2	Rogers: statement on death of Ambassador Noel and Mr. Moore.

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THE DEPARTMENT OF STATE BULLETIN

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THE DEPARTMENT OF STATE BULLETIN

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March 26, 1973

The Department of State BULLETIN, a weekly publication issued by the Office of Media Services, Bureau of Public Affairs, provides the public and interested agencies of the government with information on developments in the field of U.S. foreign relations and on the work of the Department and the Foreign Service.

The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements, addresses, and news conferences of the President and the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and on treaties of general international interest.

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International Conference on Viet-Nam Held at Paris

The International Conference on Viet-Nam was held at Paris February 26–March 2. Following are a statement by Secretary Rogers made on February 26, a news conference held by Secretary Rogers on March 2 following the signing of the Act of the International Conference, and the text of the act.

STATEMENT BY SECRETARY ROGERS, FEBRUARY 26

Minister Schumann: Your government has untiringly offered generous hospitality and assistance throughout the long and difficult period of our negotiations. For that, we are grateful to you. It is both fitting and meaningful that we should gather in Paris, where we have for so many years labored to bring an end to conflict that has resulted in so many casualties—so much devastation. Now we are assembled in a historically significant effort to underwrite and solidify the peace that has finally been achieved. The instruments of peace before us have been welcomed enthusiastically throughout the world. That is because they hold out promise that an era of reconciliation in Southeast Asia has truly begun.

For its part, the United States intends to do its utmost to insure that the work of our conference is pursued in a spirit of conciliation and good will. This conference at the foreign ministers level presents an opportunity for concerted and constructive international action unparalleled in recent history.

I think it is appropriate as we begin our discussions to consider for a moment our fundamental objective. Certainly we will espouse different points of view during the next several days. But common goals and as-

pirations motivate us to concentrate on a single objective: peace. After all, is peace not the reason we are here today in spite of differences that may exist among some of us? Is it not that objective which causes people all over the world to focus their attention with such hope on this conference?

We represent a wide spectrum of nations and peoples assembled in conference seeking to give meaning to the most elusive of man's aims: that of living together peacefully. We are gathered here today with a mandate, if you will, from people all over the world. If we are to succeed—and my government is totally committed to success—we must be willing to work together, to pool our intellects, our abilities, and our resources. Above all, we will be required to focus our attention on the future rather than on the past. Recriminations about the past, point and counter point, attack and counterattack, are instruments of conflict. We are here to seek reconciliation and concord. This is not a conference on how or why a war was fought; this is a conference on how peace should be waged.

It goes without saying that peace in Indochina is vital to tranquillity throughout the world. Those of us who have suffered great human losses in Indochina have agreed to transform the sinews of war into sinews of peace. In order to succeed, the help of the other parties at this conference will be needed—your help and unflagging cooperation in the cause of peace will be needed. That is what this conference is all about.

We should not be surprised that the attention of the world is centered on this conference. The opportunity given to us and the responsibilities weighing on us are formidable. The agreement signed in this room on

January 27 was not merely a cease-fire agreement, but an agreement on ending the war and restoring peace.¹

It took the first essential step without which peace would have remained merely a distant goal. However, it recognized, by making provision for this conference, that continuing international cooperation and discipline is required if the beginnings of peace in Indochina are to be nurtured and channeled into an enduring reality.

This conference draws together the parties directly involved in the war in Viet-Nam along with others. The presence of each party here manifests an interest in and capability of making important contributions to a stable and lasting peace.

There is, I am confident, no disagreement that all of us maintain genuine interest in the avoidance of war and preservation of international peace and security. Here, now, collectively we have the opportunity to advance this shared interest by wholeheartedly endorsing and supporting the agreement in all of its aspects and by other means we can separately and collectively devise.

This conference has an unprecedented opportunity to act in a concerted and constructive manner to guarantee stability and security in Indochina.

The agreement uses the word "guarantee." I have been asked by some of my colleagues about the use of this word. What does "guarantee" mean? Does it mean the use of force if necessary? Certainly not force that results from the use of arms. But what about the force that comes from a common commitment to peace? If each party around this table endorses this agreement, supports this agreement, makes a total and unrestrained commitment to playing a responsible role in carrying out this agreement, then peace will be guaranteed.

Our *first* order of business then, I believe, is to recognize that the agreement and protocols constitute a major contribution to peace, self-determination, national independence, and friendly relations among states—and ac-

cordingly to acknowledge, approve, and support that agreement and those protocols.

Second, it is our view that this conference should exhort the parties signatory to the agreement and the protocols and all other nations as well—there are others indirectly involved—strictly to respect and observe all of the provisions of the agreement and the protocols.

Third, we should create a useful and meaningful relationship between the International Commission of Control and Supervision (ICCS) and the conference. This would permit the International Commission to keep the parties informed of important developments. It would enhance the stability of the peace and would give substance to the principle set forth in the agreement that the conference should guarantee the maintenance of the peace.

You may ask, Do the parties to this conference have a responsibility in the event of a violation which threatens the peace, the independence or the right of the South Vietnamese people to self-determination? It would seem to me that we do have such a responsibility. We have a responsibility, I believe, individually and jointly, to consult with each other to determine the necessary remedial measures.

Certainly, after such consideration, if it is determined by six or more of us that this is the case and that peace is in jeopardy, then the right and responsibility to reconvene this conference should exist. Otherwise, how could we ever apply our combined authority? Otherwise, would not the reports and views of the ICCS be empty and meaningless gestures?

We all hope that reconvening this conference will never be necessary. Certainly, there is no reason to set up or create any elaborate machinery or standby body to deal with such a contingency, which in all probability will never arise. However, I believe a simple mechanism for reconvening must exist. So our *fourth* order of business, it seems to me, is to create such a standby mechanism or procedure.

The conference also has before it the question of what it can do to assist in bringing a

¹ For texts of the agreement and protocols, see BULLETIN of Feb. 12, 1973, p. 169.

stable peace to Laos and Cambodia, recognizing that the durability of peace in any one state of Indochina depends in part on ending the fighting and keeping the peace throughout the area. This also is a challenge we must address.

Specifically, article 19 of the Viet-Nam agreement provides that the international conference shall contribute to and guarantee peace in Indochina, which, of course, includes Laos and Cambodia.

What can we do to contribute to peace in Laos and Cambodia? First, we can endorse and support the terms of the cease-fire that has been entered into concerning Laos. I would not think that a reference by this conference to that effect would be opposed by any of the participants around this table. Second, we can undertake to encourage and support efforts to achieve an agreement in Cambodia.

But the most important thing we can do is to give full recognition and meaning to the single most important provision in the agreement relating to Laos and Cambodia. I refer to article 20 (b). The article says that foreign countries shall put an end to all military activities in Laos and Cambodia, totally withdraw from and refrain from reintroducing into these two countries troops, military advisers, and military personnel.

Why do I underscore the importance of this provision? Because if the provision is scrupulously observed then the problems that remain will be problems for indigenous populations to solve. Solutions to those problems, we are convinced, can and will be reached peacefully—and without delay.

Stated another way: The war continues in Cambodia and the cease-fire in Laos is not yet fully effective because of the presence of foreign forces in those countries.

Therefore, by endorsing the Paris agreement, we support article 20 (b) calling for the removal of all foreign forces from Laos and Cambodia. When this provision is honored the cease-fire agreement in Laos will be honored and peace will come to Cambodia. That, I believe, should be our *fifth* order of business.

Article 21 of the agreement provides that

the United States will contribute to reconstruction throughout Indochina. Thus we have given our pledge to the principle of helping. In article 19 the agreement also deals with this international conference and states the hope that this conference will contribute to and guarantee peace in Indochina. To that end there is nothing that this conference could do that would be more concrete and meaningful than to assist in such a relief, rehabilitation, and reconstruction effort. Obviously the manner and extent of such contribution must rest with each party here represented. Certainly, some parties may not have the ability to make any meaningful contribution. Clearly, other nations not here represented will want to play a major role in any rehabilitation and reconstruction effort. And most important of all, any contribution, however made, must be made in full consultation with and respect for the sovereignty of the recipients and without any political consideration of any kind.

With those considerations in mind, the principle of assisting this war-torn area of the world toward rehabilitation and reconstruction we deem of great importance.

The suggestions I have outlined for this conference are not without their problems. But as I said earlier, we are prepared to listen, to share views and exchange ideas with each of the parties represented here. What is important is that we strive to put aside our differences, that we concentrate on our common goals and recognize that our obligations here transcend parochial interests. That is the challenge I believe we face. That is the challenge I believe we will meet.

SECRETARY ROGERS' NEWS CONFERENCE, PARIS, MARCH 2

Press release 54 dated March 5

Ladies and gentlemen: I thought it would be appropriate to meet here with you to talk about the conference and the results of the conference. I would like to begin first by making a few general comments, and then I will be glad to take any questions you may have.

Let me say first that I think that the conference has been successful. It met all of our

principal goals. As you know, in my statement I set forth the objectives the United States had in connection with this conference; and I think that they have been achieved.

One of the things that you will recall and which I mentioned in my statement is the fact that this conference provided the opportunity for constructive international action. During the conference, in addition to the events that took place at the conference itself, there were opportunities for me to meet with most of the Foreign Ministers who attended to have extensive bilateral discussions and, in the course of those discussions, to talk about the conference and the results of the conference. One of the things that I pointed out was that I hoped there would be no acrimony at the conference and that we would not spend any time on past events but rather would focus our attention on the future, and I think that was accomplished. The discussions, the statements that were made at the conference, I thought were on the whole constructive, and there was a minimum of contention. I think everyone realized the limitations of the conference and also the opportunities that the conference presented.

I would like to call your attention to the statement that I made at the conference, which, as I said, set forth the objectives that the United States had in mind. I said our first order of business was to recognize that the agreement and protocols constitute a major contribution to peace, self-determination, national independence, and friendly relations among states and accordingly to acknowledge, approve, and support the agreement and those protocols. Now, that was accomplished in articles 1 and 4. It was accomplished unequivocally with the total commitment of all of those who signed the act and was stated in the strongest possible terms.

Our second objective was to exhort those who signed the Paris agreement, and other parties and nations as well, to respect and observe the Paris agreement; that was covered by articles 3 and 5.

The Government of Viet-Nam considered it important—of great importance, as a matter

of fact—to underscore our recognition, on the part of all the parties to the act, that the right of the people of South Viet-Nam to self-determination was assured. And you will see that in four separate provisions of the act there is a specific statement referring to the fact that great importance is attached to the right of the South Vietnamese people to self-determination. We accomplished that objective, which was of great importance to both the Government of Viet-Nam and to ourselves.

Third, we pointed out that we thought that there should be a useful and meaningful relationship between the ICCS and the conference and it was important to provide a mechanism for making it possible for the ICCS to keep the parties to the act, this conference, fully informed of what was happening, not only insofar as unanimous reports are concerned but also on separate views. We felt that this was essential for obvious reasons and particularly because Canada had had an unfortunate experience in the ICC [International Control Commission], when reports were not given the proper attention and there was no entity to receive reports. The Canadian Foreign Minister pointed out in his initial statement that that was essential as far as they were concerned. Article 6 makes that provision and makes it very clearly.

Our fourth order of business was to create a mechanism or a procedure for reconvening the conference, because obviously if the ICCS made reports to the parties of the conference but there was no recourse insofar as the bodies of the conference are concerned, then the reporting mechanism would have been useless. It was important, therefore, to provide that the conference could be reconvened under certain circumstances. You will see that in article 7 provision is made for that. We think that the provision that six of the parties to the conference can call for a reconvening is useful and at the same time it is not so cumbersome that it would be impractical to reconvene the conference. Thus the provision that six parties to the act have authority to reconvene the conference is a very good one.

Then, as you know, we laid particular

stress on reference to Laos and Cambodia, and we pointed out in our statement that that was because the Paris agreement called for the removal of all foreign forces from Laos and Cambodia—and if this conference properly acknowledged that and supported it and indicated respect for it, then it would contribute very substantially to the cause of peace in Indochina. And that is done, I believe, satisfactorily in article 8.

I did say in my opening statement that we hoped that there would be some reference to assistance for Indochina. The members who spoke at the conference noted in general terms their willingness to contribute, but it was not possible to formulate a consensus on that issue for obvious reasons: because some nations feel it should be done bilaterally and others feel it should be done multilaterally. Several nations, of course, are not certain of the extent of their contributions. But I did detect from the comments that were made a willingness on the part of several nations to contribute to the reconstruction and rehabilitation of Indochina. So I think that on the whole the speeches that were made in the plenary sessions gave us a reasonable hope that there will be programs, bilateral or multilateral, for providing assistance to Indochina.

We also, as you know, were interested in seeing that the Secretary General would be considered a participant in the conference. There was some suggestion earlier on that his status would be that of an observer. We felt that it was very important for the Secretary General of the United Nations to be a participant. As you know, that was handled in two ways: first in the act itself, which points out prominently that the act was signed in the presence of the Secretary General of the United Nations, and then in another provision of article 6—a special paragraph refers to all reports and views being provided to him, as Secretary General of the United Nations, and refers to him as a participant. So in any subsequent conference, if the occasion required a reconvening of the conference, he would be invited because he was a participant in this conference.

The last point I would like to make is that

there was a question about how we would sign this document and whether we would adopt the procedure followed in the Paris agreement or something similar to that. We resolved that question very satisfactorily, I think, by the statement in article 9 which provides that "Signature of this Act does not constitute recognition of any Party in any case in which it has not previously been accorded." I feel certain that that is satisfactory from a legal standpoint and a practical standpoint; the signatures on this document have no significance except insofar as they apply to this document.

We recognize obviously that there are limitations to what has been accomplished at this conference, but its importance will be felt in the weeks and months ahead. I am very pleased at the general atmosphere that prevailed here. I detected a willingness on the part of those who signed this act to make certain that the cease-fire is carried out and that the provisions of the act are implemented.

I will conclude by saying that, from the standpoint of the United States, this has been a successful conference. I think it has great meaning that these diverse delegations could convene here on such a controversial subject and end their work with the unanimous approval of this document, which I think takes into consideration the views of all parties and holds out promise for peace in the future.

Ladies and gentlemen, I shall take any questions that you may have.

Q. Mr. Secretary, does the United States have objections to, or would it place obstacles in the way of, opening up an observer office of the PRG [Provisional Revolutionary Government] at the United Nations?

Secretary Rogers: That is a matter for the United Nations to decide. I noticed that the Secretary General said that it was something he wanted to study. I think that when he studies it, he will decide that it is not a proper course. Certainly based on past precedents, there would be no justification for coming to that conclusion.

Q. Mr. Secretary, on that point—just to follow it up, sir. Apparently there is a report in one of the French papers today that the

Secretary General did discuss this with you in advance of his comments yesterday. Could you amplify on that, if that's correct?

Secretary Rogers: That he discussed this with me?

Q. Did he raise it with you?

Secretary Rogers: No. He certainly didn't. He discussed it with me afterwards, and I said what I just mentioned to you. He told me that he had not said anything except that it was a matter for study, and I pointed out that I was certain that the study would cause him to come to the conclusion that it would be a wrong decision. If every time a political party, an ordinary political party, labels itself a government—in this case they label themselves provisional—and can then take on some status at the United Nations, there will be no end of it. And I don't think he wants to engage in that. Past practice and precedents clearly indicate that this should not be done. Normally it requires admission to some of the specialized agencies before such a course can even be considered. But that does not exist in this case.

Q. Mr. Secretary, a question about the POW's. We were told yesterday that the U.S. Government now assumes that there will be no repetition of the threat by North Viet-Nam to delay the release of these prisoners. In your talks with the North Vietnamese, did you seek and did you get any kind of assurance that this will not happen again?

Secretary Rogers: Yes. I was assured that the release of the POW's would be within the 60-day period—without any question, the total assurance of the Government of North Viet-Nam—and that it would be done in four phases in accordance with the agreement; that the agreement would be strictly implemented insofar as POW's are concerned.

Q. Mr. Secretary, the question of Khartoum—this incident now which involves the American Embassy and American personnel—can you tell us what the present state of affairs is and what would happen if the reports are confirmed that these people have demanded to fly to New York or to the United States with their hostages?

Secretary Rogers: I don't want to make any comment on that matter at the present time, for reasons which I think the press will understand. I will merely point out that the Government of Sudan is now actively negotiating on this whole tragic event and we have a team in Washington, working around the clock, in close contact with our people in the Sudan. I would not want to make any comment beyond that.

Mr. Gwertzman? [Bernard Gwertzman, New York Times.]

Q. Mr. Secretary, can you tell us what, if anything, you told the North Vietnamese Foreign Minister? Some of the officials of his government have said you assured him that something would be done about their complaints about cease-fire violations. Is that correct?

Secretary Rogers: In my discussions with the Democratic Republic of Viet-Nam, I said I was there to talk of one subject, and one subject only, and that was to be the return of the POW's, which was required under the terms of the agreement. I pointed out that we had carried out our part of the agreement and had withdrawn our troops up to well beyond the 50 percent level and that we had kept the Joint Military Commission advised of those withdrawals—the planes on which the debarkations occurred and the number of personnel and so forth. I said I am sure no question could be raised about the fact that we have carried out our part of the bargain, and that was acknowledged. And then I said the agreement makes it perfectly clear that under those circumstances you have an obligation to release the POW's. I read the portion of the agreement that provides for that, and I said if we are going to have good relations—and I hope we can—when we make agreements like this, we expect them to be carried out. I said as far as I am concerned I am not going to discuss any other matter except that now.

Now, as you probably know, there was discussion on their part, statements on their part about alleged violations, but I did not respond in any way to that. And when the Foreign Minister advised me the next day

that the POW's would be released, we did not discuss that. Subsequent to that time, I told them that obviously we want the agreement to be implemented. We will work with the ICCS team, and we will work diligently in the Four-Party Military Commission to do our part. But at no time did I have a discussion that was linked to alleged violations, because as the U.S. Government looks at it, responsibility for releasing POW's is perfectly clear. There can be no doubt in the agreement that as we withdraw our troops, they are to release the prisoners; I think they recognize that, and we believe that they will carry that out.

Q. Mr. Secretary, recently President Thieu said that he had the assurances of the American Government that in the event of continuing gross violations, America might resume bombing over South Viet-Nam. Doesn't your signature today preclude any kind of action like that?

Secretary Rogers: I am not going to make any comment on that. Our efforts must be directed toward implementing the agreements that have been made—implementing the Paris agreement, implementing the statements that were made today in this act. We are going to focus our attention on that. We have every reason to think that the cease-fire is going to work, that the prisoners are going to be released, and that our men will be withdrawn as provided in the agreement.

Q. You spoke of receiving assurances from the North Vietnamese, but there is a report from Saigon today of a delay by the Viet Cong in releasing another group of prisoners. Have you received any assurances from them?

Secretary Rogers: I did not talk to Madame [Nguyen Thi] Binh about that. We have been dealing with the North Vietnamese on it, and we expect that the releases will take place. I don't know what happened today; I'm not sure today whether they are discussing the subject or whether there may be some attempt to delay. But, if so, I don't think it will work. I think that the North Vietnamese are committed to what Foreign Minister Trinh told me. They are going to see that the POW's

are released within the 60-day period. They are going to do it in four separate "tranches." And I believe they will carry that out. Certainly as far as we are concerned we are going to carry out our part of the bargain. Now, if there is any delay or obstruction, then you can be certain that President Nixon will take appropriate action. We do not intend to stand by and watch serious violations of this agreement occurring insofar as they relate to our POW's.

Q. Mr. Secretary, in view of the fact that the declaration today specifically includes mention of Laos and Cambodia, will the machinery for reconvening the conference in the event of a breach of the peace also apply to the situations in Laos and Cambodia?

Secretary Rogers: I think as far as the decision about reconvening is concerned, it has to be based on the language of the act; and if peace is jeopardized and six parties to the act feel that reconvening would be helpful and would be a constructive act, then they can call for reconvening. Now, I would not want to speculate as to what particular situations would require that decision to be made. But as you know we have said—and I have said in my statement—we think peace in that area of the world is indivisible and therefore we are looking at peace in Indochina, not just peace in any one country. That is one of the provisions of the Paris agreement; that was one of the purposes of this conference—to consider peace in Indochina—and therefore I think any decision about reconvening the conference will have to take into account the whole picture in Indochina.

Q. Mr. Secretary, the act spells out that in the event of reconvening, the reconvened conference would take necessary measures. Would you spell out what those measures might be?

Secretary Rogers: Well, it would depend on what the facts were. I don't think that you can give an answer to that kind of question, because it is based on a set of facts we can't hypothesize. There's no way of knowing, so it would depend on what the situation was at the time.

Q. Mr. Secretary, on the bilateral side, can you tell us if you have concluded your talks with the Chinese Foreign Minister on claims and frozen assets, and a bit about your talks with the Soviet Foreign Minister, Mr. Gromyko?

Secretary Rogers: As you know, I had two long meetings with the Chinese Foreign Minister, first at our residence and then last night we had a very good discussion before the dinner and, I might say, a very pleasant dinner. We did agree in principle that there would be a global settlement of the claims issue, and I did provide him a draft exchange of letters between our two governments which would carry out that kind of an agreement. The letter would be a letter from President Nixon to Premier Chou En-Lai, and there would be a letter from Premier Chou En-Lai to President Nixon which would set forth the agreement. Now, we did agree in principle that this was a proper approach for solving this difficult problem. The details will have to be worked out in the future, and they want time to consider it because there are a lot of complex legal questions. But in principle we have an agreement.

Now, you asked about the meeting I had with Mr. Gromyko. I also had two meetings with Mr. Gromyko. We had a meeting at his residence, and then Mrs. Rogers and I took the Foreign Minister and Mrs. Gromyko out for a very pleasant dinner. We had the opportunity to discuss many bilateral matters. We talked about European matters and the Conference on European Security and mutual and balanced force reductions; we had a brief discussion on the Middle East and also, of course, talked about matters before this conference.

In both cases I thought the talks were very significant; they were very friendly, constructive, and I think were very useful.

Q. Do you expect Canada today to remain a member of the ICCS, in view of the fact that they signed the agreement?

Secretary Rogers: That's something that Canada has to answer. We certainly hope that they will continue to play the role they are playing. That role is of great importance,

as they are experienced in this type of work. They have done an excellent job since the ICCS was started, and we have hopes that they will continue to carry out this difficult task which carries international responsibilities with it.

Mr. Freed? [Kenneth J. Freed, Associated Press.]

Q. Mr. Secretary, you outlined the positive aspects of the conference. What about its limitations? Could you go over some of the limitations of the conference?

Secretary Rogers: Well, of course, we indicated that we hoped that there would be a statement on foreign assistance. We did not make that one of the five points which we thought were required, but we would have hoped that some statement on foreign assistance could have been made by governments that they would contribute. I think that it is probably a little too early to have that kind of a commitment. It's very difficult to get governments to agree on how they are going to do it and the extent to which they are going to do it. No one quite knows what is needed or what is wanted by the countries in Indochina.

As to the other matters, we are quite satisfied with the outcome. I have seen some speculation that there were some disappointments; but as far as the U.S. Government is concerned, we are not disappointed. I think this act coincides with what we had in mind. It certainly coincides with what I said we had in mind at the opening of the conference. If you read my statement and look carefully at the provisions of the act, you will see that they coincide.

Q. Since neither the act nor the peace machinery in Viet-Nam contains any enforcement provisions, what in your opinion will serve most effectively to maintain the peace?

Secretary Rogers: Well, it was said during the conference on several occasions that the responsibility primarily rests with those who signed the Paris agreement and peace is going to be achieved—it has to be achieved—to a large extent by the people in Indochina. Now, the United States can contribute,

particularly by way of assistance, but it can't force people to live in peace. The only way in which people live in peace is to decide that they want to live in peace, to take into account the legitimate concerns of others, and make accommodations so that peace will continue to prevail. But in terms of assistance—and that is one of the things that the United States hopes it can do—if it's done properly and without any infringement on the sovereignty of the nations concerned and if we do it at their request and we do it in an orderly way, we think that will contribute to peace. We think it will provide the cement that will make peace possible. Now, enforcement machinery partly will come about—and I don't like to use the term "enforcement machinery"; as I noted in my statement, that suggests somehow that force will be used. We are not talking about that. The terms of the agreement are clear, the terms of this act are clear, and we would hope that the force of public opinion will play a part in Indochina. If the nations represented here at this conference carry out the commitments of this act, then peace will follow.

Secondly, Mr. Smith [Kingsbury Smith, Hearst Newspapers], I want to say that we, the nations that signed this act, have an obligation if we think that peace is in jeopardy to consider reconvening this conference, and I think that is an important potential for peace.

Q. Mr. Secretary, in view of the fact that all the five current members of the U.N. Security Council have signed this act in the presence of the U.N. Secretary General, is it open to any member of the United Nations to raise any question covered by this act in the forum of the United Nations?

Secretary Rogers: I don't think that this act asks for the jurisdiction of the United Nations, if that's the question. But I think that the fact that the five current members of the Security Council signed this act is a very significant thing.

Q. To come back to this question—the United States has put a lot of emphasis on the need for restraint by the big powers. In your discussions here this week and other dis-

cussions, have you any indication what policy the Soviet Union and China will follow on arms to North Viet-Nam?

Secretary Rogers: No. I don't want to comment on that. There is language in the act which certainly carries the thought that all nations will contribute by their actions to the cause of peace both in Viet-Nam and Laos and Cambodia. And certainly in the discussions that I have had with all the Foreign Ministers I have seen since I have been here, there have been very strong statements on behalf of their governments to the effect that they intend to live up to the terms of this act. That is our hope. We think that there is a very good possibility this conference will contribute in a very significant way to the cause of peace.

Thank you very much.

TEXT OF ACT OF CONFERENCE, MARCH 2

Press release 55 dated March 5

ACT

OF THE INTERNATIONAL CONFERENCE ON VIET-NAM

The Government of the United States of America;
The Government of the French Republic;
The Provisional Revolutionary Government of the Republic of South Viet-Nam;
The Government of the Hungarian People's Republic;
The Government of the Republic of Indonesia;
The Government of the Polish People's Republic;
The Government of the Democratic Republic of Viet-Nam;
The Government of the United Kingdom of Great Britain and Northern Ireland;
The Government of the Republic of Viet-Nam;
The Government of the Union of Soviet Socialist Republics;
The Government of Canada; and
The Government of the People's Republic of China;
In the presence of the Secretary-General of the United Nations;

With a view to acknowledging the signed Agreements; guaranteeing the ending of the war, the maintenance of peace in Viet-Nam, the respect of the Vietnamese people's fundamental national rights, and the South Vietnamese people's right to self-determination; and contributing to and guaranteeing peace in Indochina;

Have agreed on the following provisions, and undertake to respect and implement them;

ARTICLE 1

The Parties to this Act solemnly acknowledge, express their approval of, and support the Paris Agreement on Ending the War and Restoring Peace in Viet-Nam signed in Paris on January 27, 1973, and the four Protocols to the Agreement signed on the same date (hereinafter referred to respectively as the Agreement and the Protocols).

ARTICLE 2

The Agreement responds to the aspirations and fundamental national rights of the Vietnamese people, *i.e.*, the independence, sovereignty, unity, and territorial integrity of Viet-Nam, to the right of the South Vietnamese people to self-determination, and to the earnest desire for peace shared by all countries in the world. The Agreement constitutes a major contribution to peace, self-determination, national independence, and the improvement of relations among countries. The Agreement and the Protocols should be strictly respected and scrupulously implemented.

ARTICLE 3

The Parties to this Act solemnly acknowledge the commitments by the parties to the Agreement and the Protocols to strictly respect and scrupulously implement the Agreement and the Protocols.

ARTICLE 4

The Parties to this Act solemnly recognize and strictly respect the fundamental national rights of the Vietnamese people, *i.e.*, the independence, sovereignty, unity, and territorial integrity of Viet-Nam, as well as the right of the South Vietnamese people to self-determination. The Parties to this Act shall strictly respect the Agreement and the Protocols by refraining from any action at variance with their provisions.

ARTICLE 5

For the sake of a durable peace in Viet-Nam, the Parties to this Act call on all countries to strictly respect the fundamental national rights of the Vietnamese people, *i.e.*, the independence, sovereignty, unity, and territorial integrity of Viet-Nam and the right of the South Vietnamese people to self-determination and to strictly respect the Agreement and the Protocols by refraining from any action at variance with their provisions.

ARTICLE 6

(a) The four parties to the Agreement or the two South Vietnamese parties may, either individually or through joint action, inform the other Parties to this Act about the implementation of the Agreement and the Protocols. Since the reports and views submitted by the International Commission of Control and Supervision concerning the control and supervision of the implementation of those provisions of the Agreement and the Protocols

which are within the tasks of the Commission will be sent to either the four parties signatory to the Agreement or to the two South Vietnamese parties, those parties shall be responsible, either individually or through joint action, for forwarding them promptly to the other Parties to this Act.

(b) The four parties to the Agreement or the two South Vietnamese parties shall also, either individually or through joint action, forward this information and these reports and views to the other participant in the International Conference on Viet-Nam for his information.

ARTICLE 7

(a) In the event of a violation of the Agreement or the Protocols which threatens the peace, the independence, sovereignty, unity, or territorial integrity of Viet-Nam, or the right of the South Vietnamese people to self-determination, the parties signatory to the Agreement and the Protocols shall, either individually or jointly, consult with the other Parties to this Act with a view to determining necessary remedial measures.

(b) The International Conference on Viet-Nam shall be reconvened upon a joint request by the Government of the United States of America and the Government of the Democratic Republic of Viet-Nam on behalf of the parties signatory to the Agreement or upon a request by six or more of the Parties to this Act.

ARTICLE 8

With a view to contributing to and guaranteeing peace in Indochina, the Parties to this Act acknowledge the commitment of the parties to the Agreement to respect the independence, sovereignty, unity, territorial integrity, and neutrality of Cambodia and Laos as stipulated in the Agreement, agree also to respect them and to refrain from any action at variance with them, and call on other countries to do the same.

ARTICLE 9

This Act shall enter into force upon signature by plenipotentiary representatives of all twelve Parties and shall be strictly implemented by all the Parties. Signature of this Act does not constitute recognition of any Party in any case in which it has not previously been accorded.

DONE in twelve copies in Paris this second day of March, One Thousand Nine Hundred and Seventy-Three, in English, French, Russian, Vietnamese, and Chinese. All texts are equally authentic.

For the Government of the United States of America

The Secretary of State WILLIAM P. ROGERS

For the Government of the French Republic

The Minister for Foreign Affairs MAURICE SCHUMANN

For the Provisional Revolutionary Government of
the Republic of South Viet-Nam

The Minister for NGUYEN THI BINH
Foreign Affairs

For the Government of the Hungarian People's
Republic

The Minister for JANOS PETER
Foreign Affairs

For the Government of the Republic of Indonesia

The Minister for ADAM MALIK
Foreign Affairs

For the Government of the Polish People's Republic

The Minister for STEFAN OLSZOWSKI
Foreign Affairs

For the Government of the Democratic Republic of
Viet-Nam

The Minister for NGUYEN DUY TRINH
Foreign Affairs

For the Government of the United Kingdom of
Great Britain and Northern Ireland

The Secretary of State ALEC DOUGLAS-HOME
for Foreign and
Commonwealth Affairs

For the Government of the Republic of Viet-Nam

The Minister for TRAN VAN LAM
Foreign Affairs

For the Government of the Union of Soviet Socialist
Republics

The Minister for ANDREI A. GROMYKO
Foreign Affairs

For the Government of Canada

The Secretary of State MITCHELL SHARP
for External Affairs

For the Government of the People's Republic of
China

The Minister for CHH PENG-TEI
Foreign Affairs

Congressional Delegation Attends Paris Conference on Viet-Nam

*Department Announcement*¹

Following discussions with the congressional leadership, the Secretary of State was pleased to extend an invitation to Senators Mike Mansfield and Hugh Scott and to Congressmen Gerald Ford and John J. McFall, representing the Speaker of the House, to observe the final phases of the International Conference on Viet-Nam now being held in Paris.

The Secretary's invitation reflects the importance which he attaches to the views of the Congress in respect to peace in Indochina. It also reflects his hope that, just as the international conference itself was called for the purpose of lending broad international support to the agreement signed on January 27, so a congressional presence in Paris at this time would reflect broad support for the agreement within the United States.

The delegation departed Andrews Air Force Base on March 1 for Paris.

¹ Issued on Mar. 1 (press release 51).

President Nixon's News Conference of March 2

Following are excerpts relating to foreign policy from the transcript of a news conference held by President Nixon in the press briefing room at the White House on March 2.

Weekly Compilation of Presidential Documents dated March 5

The President: I have one announcement for those who are members of the traveling press.

We have now set the date for the San Clemente meeting with President Thieu, and it will be April 2 and 3. Those of you who desire to go should make your plans, if you could, to leave on the Friday before, because I am going to California to attend a dinner on that occasion for John Ford on Saturday night, the 31st, and then the meetings will start the following Tuesday and will be concluded that week.

I will take any other questions you have.

Q. Mr. President, there has been considerable speculation and interpretation after the Laos cease-fire pact to the effect that the Communists gained more out of this than they did out of the Geneva accords and also a situation in Cambodia that no one seems to be able to interpret. Originally you hinged your peace settlement on all of Indochina. What is your expectation in these areas, and how much confidence do you have that stability will be maintained?

The President: Mr. Sheldon [Courtney R. Sheldon, Christian Science Monitor], first, with regard to Laos, the agreement there was made by the Royal Laotian Government, and it is an agreement which we of course supported and we accept. I have noted that various elements within Laos have questioned the decision by Souvanna Phouma to make the agreement that he did, but the key to that agreement, and what will make the cease-fire work, is an unequivocal provision in the agreement that we made, and that is for the

withdrawal of all foreign forces from Laos. We expect that to be adhered to, and when that is adhered to, we believe that the chances for peace in Laos will be very considerable, and considerably more than after the '54 accords.

As I have pointed out, and as Dr. Kissinger [Henry A. Kissinger, Assistant to the President for National Security Affairs] has also pointed out, the situation in Cambodia is much more complex because you don't have the governmental forces there that can negotiate with each other. However, there has been an attempt on the part of the Cambodian Government to have a unilateral cease-fire that has not been reciprocated on the part of the opposition forces in that area. Once a cease-fire is agreed to, or adhered to, we will observe it; until it is adhered to, we of course will provide support for the Cambodian Government.

I would not want to indicate that the prospects in Cambodia are as—shall we say—positive as those in Laos, but we do believe that there, too, the withdrawal of the North Vietnamese forces, which has been agreed to in our agreement with the North Vietnamese, from Cambodia is the key thing.

If those forces are out and if the Cambodians then can determine their own future, we believe the chances for a viable cease-fire in Cambodia will be very substantial.

Q. Mr. President, could I ask you whether aid to North Viet-Nam was a condition of the cease-fire agreement? There seems to be some confusion about that.

The President: No, Mr. Lisagor [Peter Lisagor, Chicago Daily News], it was not. The provision for assistance to North Viet-Nam on the economic side is one that we believe is in the interest of creating lasting peace and stability in the area.

That is a provision which we of course will have to have congressional support for. We realize, as I pointed out previously in the meeting with you ladies and gentlemen of the press, there is considerable opposition to aid to North Viet-Nam. It is rather reminiscent to me of what I went through when I first came to the Congress and when you, Mr. Lisagor, were covering in the Congress.

The opposition to aiding Germany and aiding Japan—Japan being the most militaristic and aggressive force in Asia, and Germany being the most militaristic people in Europe at that time—the opposition was very substantial.

I remember at that time my own district—I polled it as that was the time when Congressmen were starting the business of polling their constituents, and it was 68 percent against any aid to our former enemies. I voted for it. I voted for it even though it was submitted by a Democratic President, because I was convinced that the chances for having peace in Asia and the chance for having peace in Europe would be considerably increased if the Germans and the Japanese, the two strongest, most vigorous people in those two respective areas, were turned toward peaceful pursuits rather than being left in a position of either hopelessness, which would lead to frustration and another war, or confrontation.

I think that that decision was right. I don't mean that the situation with regard to North Viet-Nam is on all fours with it, but I do say that if the North Vietnamese, after 25 years of war, continue to think that their future will only be meaningful if they engage in continuing war, then we are going to continue to have war in that part of the world and it would not only threaten South Viet-Nam but Cambodia and Laos and Thailand, the Philippines, the whole area.

If, on the other hand, the people of North Viet-Nam have a stake in peace, then it can be altogether different, and so we believe that once the Congress, both Democrats and Republicans, considers this matter—and we want them to consider it and give their judgment on it—that they will decide, as they did 25 years ago, based on that precedent

and what happened then, that the interests of peace will be served by providing the aid.

The costs of peace are great, but the costs of war are much greater; and incidentally, with regard to costs, I know that some of you have raised a question that I would like to address myself to as to whether whatever assistance we eventually do agree to and that we do present to the Congress, whether or not that assistance will require a cutting back on domestic programs.

The answer is no. As far as any assistance program is concerned, it will be covered by the existing levels for the budget which we have in for national security purposes. It will not come out of the domestic side of the budget.

Q. Mr. President—

The President: By national security, I mean the whole area of defense and foreign assistance.

Q. Is this the area that the money for North Viet-Nam will come out of, the defense budget?

The President: It will come out of the national security budget, which means the area of foreign assistance and defense—both. As you know, the two are interlocked because the Defense Department has some foreign aid programs and there are some outside the Defense Department. But the whole national security area will absorb all of the assistance programs which we may agree to in terms of that.

Q. Can you say how much it will be?

The President: No. That is something to be negotiated.

Q. Mr. President, could you give us your own delineation of what really entered into the recent agreement on the POW return and the resumption of troop withdrawal?

The President: Well, Mr. Theis [J. William Theis, Hearst Newspapers], I don't think that any useful purpose would be served by indicating what the content of the various messages were which went between the governments involved at that time. Just let me say that Mr. Ziegler [Ronald L. Ziegler, Press

Secretary to President Nixon] covered that, after a consultation with me, when he was first asked that question.¹

As far as the POW's are concerned, that provision and the withdrawal provision cannot be linked to anything else. The suggestion, for example, that what brought about the POW return was some action on the part of the United States or some assurance on the part of the United States that we would do something with regard to getting better compliance with the cease-fire, that suggestion is completely wrong. That provision stands on its own, too.

It is in our interests and we are doing everything that we can to get both parties, North and South, to comply with the cease-fire, but as far as the POW's are concerned, the agreement clearly provides that in return for withdrawal, the POW's will be returned. We expect that agreement to be complied with.

We made our position known publicly very clearly and privately very clearly. We accomplished our goal, and now to go into how we did it, I don't think would be helpful.

I want to say, too, that I have noted that in the morning press there was some concern expressed about the 30 POW's that are held by the PRG [Provisional Revolutionary Government]. I am not going to speculate about how that is to be accomplished, except to say that we had been assured that within 48 hours from yesterday that the POW's held by the North, this particular segment, and by the PRG, would be released.

Now, where they will be released and how is something else again, but we expect them to be released within the time frame, and I will not comment about what we will do if they are not, because we expect that they will comply.

Q. Mr. President, we have a crisis, of course, in the Sudan, where a U.S. Ambassador is being held hostage and one of the ransom demands is that Sirhan Sirhan be released. I wonder if you have any comment on this, particularly on that demand?

¹ See p. 351.

The President: Last night I was sitting by the wife of Mr. Rabin [Yitzhak Rabin, Ambassador of Israel to the United States] and we were saying that the position of ambassador, once so greatly sought after, now in many places becomes quite dangerous.

As you know, we had a problem in Latin America last year; we have one here this year. I don't mean to suggest it is that hazardous everywhere, but it is a problem and it is a risk that an ambassador has to take.

As far as the United States as a government giving in to blackmail demands, we cannot do so and we will not do so.

Now, as to what can be done to get these people released, Mr. Macomber [William B. Macomber, Jr., Deputy Under Secretary of State for Management] is on his way there for discussions. The Sudanese Government is working on the problem. We will do everything that we can to get them released, but we will not pay blackmail.

Q. Mr. President, are you disappointed or are you concerned that the cease-fire agreement in Viet-Nam has not been observed as scrupulously as you might have liked up to now?

The President: Well, let's look at what has happened. A cease-fire agreement is always difficult. You may recall I have mentioned that on occasion, that it is particularly difficult in the case of a guerrilla war. I have often been, as some of you gentlemen and ladies have, at the demarcation line in Korea. Many people forget that 20 years after the Korean cease-fire, where you have a demarcation line, a clear line between the one side and the other, where they have no guerrilla war, there are still incidents—not many, but there are still incidents. They were running as high three years ago as 100 a year.

Now, in Viet-Nam, where you have a guerrilla war situation, where the lines are not so clearly drawn as to which side is held by the PRG and which side is held by the South Vietnamese, there will continue to be violations until the situation becomes settled between the two sides.

What is important, however, is to note that

the number of violations, the intensity of the fighting, has been reduced. It is not zero yet. I doubt if it will become zero in any time in the foreseeable future, because of the fact that a guerrilla war having been fought for 25 years, off and on, is not going to be ended by one agreement, not in one month, not in two months; but the main point is it is going down, and we expect adherence to the agreement from both sides. We will use our influence on both sides to get adherence to the agreement.

Q. Mr. President, what kind of trouble is the American dollar in in Europe, in your judgment?

The President: Well, the American dollar, I think, is being attacked by international speculators. I know that when I use that term my sophisticates in the Treasury Department shudder because they believe these great forces are not determined by speculation and the rest, but as I look at the American economy, as I look at the American rate of inflation, I would say that the dollar is a good bet in the world markets today.

The United States has the lowest rate of inflation of any major industrial country. The United States has certainly the strongest economy of the major industrial countries. The United States also has a program, which we believe is going to work, for continuing to control inflation. We have a very tight budget, or I should say a responsible budget. Let me point out, it is not a budget which is cut; it is a budget, however, which does not go up as much as some would want it to go and therefore one that will continue to cool the inflationary fires. And of course, under these circumstances, we believe that the dollar is a sound currency and that this international attack upon it by people who make great sums of money by speculating—one time they make a run on the mark and the next time it is on the yen, and now it is on the dollar—we will survive it.

Let me say there will not be another devaluation. I would say, second, we are going to continue our program of fiscal responsibility so that the dollar will be sound at home

and, we trust as well, abroad, and we also are going to continue our efforts to get the other major countries to participate more with us in the goal that we believe we should all achieve, which we set out at the time of the Smithsonian and the other agreements, and that is of getting an international monetary system which is flexible enough to take care of these, what I believe are, temporary attacks on one currency or another.

Q. Can we do anything to bring the speculators under control?

The President: We cannot, because I would say for the most part they are operating in the international area, and all that we can do is to keep our dollar as sound as we can at home, to keep our economy as sound as we can, to be as responsible as we can so that the run on the dollar does not mean a weakness of the American economy or of the dollar, in fact, that we spend here at home.

U.S. States Position on Release of POW's Under Viet-Nam Agreement

Following is an excerpt from a news conference held at the White House on February 27 by Ronald L. Ziegler, Press Secretary to President Nixon.

Weekly Compilation of Presidential Documents dated March 5

Q. Do you have any reaction to the refusal of the North Vietnamese to turn over more American prisoners?

Mr. Ziegler: We expect our prisoners of war to be released on schedule. That would be the first comment I would have to your question. Although the information regarding the release of U.S. prisoners of war as contained in this morning's reports has not been made at a governmental level by the D.R.V. to the United States and has come only from the North Vietnamese spokesman's comment, Bui Tin, in Saigon, there should be no misunderstanding on the part of the D.R.V. about the U.S. position, and the fol-

lowing points are being made clear to the North Vietnamese:

First, the release of American prisoners is an unconditional obligation of the cease-fire agreement. The agreement clearly states that these prisoners of war are to be released at a rate no slower than the rate of troop withdrawals of U.S. and allied forces. We have now withdrawn over half of our forces. It is now time for the other side immediately to release the next group of U.S. prisoners of war, to bring the total of all those released up to at least 50 percent of the total number scheduled for release.

Second, the United States has scrupulously observed all the provisions of the agreement, including withdrawals and cease-fires.

Third, the United States would not accept during the negotiations, and will not accept now, the linking of release of American prisoners to any other aspect of the agreement other than the rate of withdrawal.

Finally, the President this morning has instructed the Secretary of State to demand clarification from the North Vietnamese delegation in Paris on a most urgent basis. The President has instructed the Secretary to raise this subject with the North Vietnamese Foreign Minister, Foreign Minister Trinh, as a matter of highest priority before other business is conducted at the conference.

So there should be no misunderstanding regarding the U.S. view regarding the release of U.S. prisoners. There can be no ambiguity involved in the agreement regarding the release of U.S. prisoners. As Dr. Kissinger pointed out to you ladies and gentlemen at the time he briefed on the agreement, one of the most contentious points of the entire negotiations was that there was no relationship between the release of the U.S. prisoners of war and civilian prisoners held in the South.¹ This

point is clearly spelled out in the agreement and clearly spelled out in the protocol.

The agreement clearly makes the point that there is no linkage, and as Dr. Kissinger has said, there can be no linkage between the two. The release of the U.S. prisoners is only related to the rate of U.S. withdrawals from South Viet-Nam, and nothing else. As I said, the protocols of the agreement clearly spell that out.

Funds for Educational-Cultural Component of Agreement With Spain

PRESIDENTIAL DETERMINATION No. 73-11¹

PRESIDENTIAL DETERMINATION AND AUTHORIZATION
TO PERMIT SECURITY SUPPORTING ASSISTANCE TO
SPAIN

Memorandum for the Secretary of State

THE WHITE HOUSE,
Washington, February 1, 1973.

In accordance with your recommendation of December 19, 1972, I hereby:

A. Determine, pursuant to Section 614(a) of the Foreign Assistance Act of 1961, as amended, that the authorization of the use of \$3 million of funds available in FY 1973 for Security Supporting Assistance to fund the annual educational-cultural component of the Agreement of Friendship and Cooperation between the U.S. and Spain, without regard to the limitations of Section 620(m) of the Act, is important to the security of the United States;² and

B. Authorize, pursuant to Section 614(a) of the Act, such use of up to \$3 million of funds available in FY 1973 for the grant of Security Supporting Assistance to fund the annual educational-cultural component of the Agreement of Friendship and Cooperation between the U.S. and Spain, without regard to the limitations of Section 620(m) of the Act.

This determination shall be published in the FEDERAL REGISTER pursuant to Section 654 of the Act.



¹ For the transcript of a news conference held on Jan. 24 by Henry A. Kissinger, Assistant to the President for National Security Affairs, see BULLETIN of Feb. 12, 1973, p. 155.

² 38 Fed. Reg. 5235.

³ For text of the agreement, see BULLETIN of Aug. 31, 1970, p. 237.

United States Calls for Firm International Stand Against Terrorist Extortion and Blackmail

Cleo A. Noel, Jr., Ambassador to Sudan, and George C. Moore, Deputy Chief of Mission, were murdered by Black September terrorists in Khartoum on March 2. Following are statements issued that day by President Nixon, Secretary Rogers, and John Scali, U.S. Representative to the United Nations, and remarks made by President Nixon on March 6 in the diplomatic lobby of the Department of State at the unveiling of an American Foreign Service Association (AFSA) plaque commemorating those who have lost their lives while serving the government abroad in foreign affairs.

STATEMENTS ISSUED ON MARCH 2

Statement by President Nixon

White House press release dated March 2

It was with the deepest sense of grief that I have learned of the acts of terrorism which took the lives of Ambassador Cleo A. Noel and Deputy Chief of Mission George Curtis Moore. The United States is emphasizing its strong feeling that the perpetrators of this crime must be brought to justice.

This tragic event underscores once again the need for all nations to take a firm stand against the menace of international terrorism. I know the American people join me in expressing our deepest sympathy to the families of these diplomats who have given the last full measure of devotion in service to their country.

Statement by Secretary Rogers

Press release 5, dated March 2

No words can express our shock and grief at the senseless and barbarous murder of Ambassador Noel and Mr. Moore. They were men of great courage and dedication who

served their Nation with distinction in the diplomatic service.

Mrs. Rogers and I join all of their colleagues in the Department of State, and particularly those who serve with such distinction in the diplomatic service, in extending our deepest sympathies to the wives and families of these brave men.

Statement by Ambassador Scali

USUN press release 15 dated March 2

It is with shock and horror that I have learned of the killings in Khartoum. This tragedy is a further demand on the United Nations community for meaningful and effective action to halt international terrorist acts. We must revive and press forward on the work begun last fall at the General Assembly. The world community must no longer shirk its responsibility to face up to this critical issue.

REMARKS BY PRESIDENT NIXON, MARCH 6

Weekly Compilation of Presidential Documents dated March 12

Secretary Rogers, Mr. Boyatt [Thomas D. Boyatt, acting president of the board of AFSA], and ladies and gentlemen of the Foreign Service, and all of those who are here from the State Department: I am very pleased to have the opportunity to come here to express appreciation to all of you who have worked in the cause of peace in this Department, some for many years and some of course more recently.

I of course regret that my presence here is on an occasion which is mingled also with sadness. You will note the plaque that we have just witnessed here a moment ago, and you will note the last two names on the plaque.

We have all read what has happened and

heard about it over these past few days. I think you should know that tomorrow, in respect to these men who have died in the service of their country and in service of the cause of peace for the whole world, that the flags, not only in Embassies abroad and in the State Department but all over America, have been ordered to be at half-mast. I have taken this extraordinary action of lowering flags even though the individuals involved were not Members of the Congress or members of the Cabinet, where normally such action is only taken, because I think it is well for the Nation to be reminded of how much we owe to the men and women who serve America in the cause of peace as members of our Foreign Service, in the civilian activities that we have in farflung areas around the world.

I think of these two men, Ambassador Noel, Mr. Moore; of the country to which they are accredited, the Sudan; I think of the Minister from the Sudan whom I saw this morning. I know that they were there in the cause of peace, and I know that the incident which led to their death was one that was not of this country's making and not of theirs and yet they were willing to take this risk, and for their bravery and for their courage our country can be very thankful.

Secretary Rogers had told me a few months ago that a survey made of the Foreign Service in which he had asked what would be the attitude of a member of the Foreign Service in the event he were captured and held hostage—what would be the attitude as to what our government should do. It was unanimous that the U.S. Government should not submit to demands for blackmail or ransom.

That is a reaction of courageous men and women. That was the attitude of these two men. They were willing to risk their own lives in order that others might live. They were willing also to have their government take a position of no compromise with terrorism because they knew that once that compromise was entered into that it could lead to consequences that would be far worse in the years ahead.

I was noting a well-intentioned comment

by one individual who raised a question as to whether the United States, in this instance, might have been better advised to bring pressure on another government to release 60 who were held in prison in order to save the lives of two.

I disagree with that. All of us would have liked to have saved the lives of these two very brave men, but they knew and we knew that in the event we had paid international blackmail in this way, it would have saved their lives but it would have endangered the lives of hundreds of others all over the world, because once the individual, the terrorist, or the others has a demand that is made, that is satisfied, he then is encouraged to try it again, and that is why the position of your government has to be one in the interest of preserving life, of not submitting to international blackmail or extortion anyplace in the world.

That is our policy, and that is the policy we are going to continue to have.

Ladies and gentlemen, today we honor two brave men and all of the others here on this plaque and the one on the other side who have given their lives for their country while serving in the Foreign Service, and today, too, we not only express the policy of the United States of America, but we use this opportunity respectfully to suggest that other governments throughout the world, rather than standing aside, should join with us in taking this firm line against extortion and against international blackmail by terrorist groups.

I am quite aware of the fact that there are some governments who take the line that since they are not the targets of the terrorists, they can stand aside and not join in any international effort to be firm against terrorism, whether it is in the United Nations or bilaterally or multilaterally with other nations.

I would only suggest this: The nation that compromises with the terrorists today could well be destroyed by the terrorists tomorrow. And as far as we are concerned, we therefore feel we are on very sound ground in calling upon the whole world community to join together in a firm stand against international outlaws who today endanger the

nationals of one country, maybe the United States, and tomorrow will endanger the lives of others.

Finally, on this particular day, may I close as I began, by expressing the deep appreciation of the President of the United States and all that the President represents in his office for your service to the country.

I must say that just having had lunch in the State Department for the first time, at least in this building, for the first time since I have been President, I was thinking of how many times I freeloaded around the world at various Embassies abroad. [Laughter.] Secretary Rogers, I have probably visited more countries in the world than any public figure in America today, and I know what a burden it is to have a Congressman, a Senator, a prominent private citizen, a Vice President, a VIP, or a President to come visit you.

I can only say I have always been proud of those who represent America abroad in the Foreign Service, proud of your service to the Nation. We stand behind you all the way.

Prime Minister Meir of Israel Visits Washington

Prime Minister Golda Meir of Israel made a private visit to the United States February 26–March 8, during which she met in Washington with President Nixon and other government officials. Following is an exchange of toasts between President Nixon and Prime Minister Meir at a dinner at the White House March 1.

Weekly Compilation of Presidential Documents dated March 5

PRESIDENT NIXON

Madam Prime Minister and our distinguished guests: As I am sure you have noted, the tables are rather crowded tonight, and I can let you in on a little secret about how White House invitations are issued and what happens on an occasion like this.

Normally invitations go out, as you know, about three to four weeks in advance, and because we want to be sure that for our distinguished guests we have all of the places filled, we usually send 20 or more invitations than the 110 that this room will seat and always the cancellations make it possible not only for us to have not just the 110 that the room will seat but we can add a few more at the last minute.

This time, all 120 accepted. [Laughter.] And invited a few friends. [Laughter.]

I don't know of a dinner we have had, Madam Prime Minister, in this house since we have had the honor of being here in which more people wanted to come and in which we could make fewer friends and more enemies than we did by inviting the group that we have here. But this company is one that is very distinguished. It represents our government, our Congress, it represents also this whole Nation.

As you noted, they came from Los Angeles, San Francisco, New York, the South, the North, the East, and the West. And that tells us something. It tells us about the respect and the admiration they have for your country, for you personally, and for your people.

Before proposing the formal toast to you, I think it is only appropriate on this occasion to say a word about one who has served your country so well and the cause of good relations between our two countries so well.

Ambassador Rabin came to Washington as Ambassador four years ago as one of the most respected military leaders in the world. He leaves Washington on his 51st birthday, which is tonight, as one of the most respected and able ambassadors ever to serve in the Washington Capital. As a matter of fact, if you want to give up your citizenship, we have a job for you. [Laughter.]

And now, to our distinguished guest, there is so little we can say to this audience made up of her friends and her admirers. I can, however, speak for all of us by saying that we appreciate what she has done for her country; we are proud of the fact that she began in our country. We also are aware of the fact that she has played a great role in the past and will play a great role in the years to

come not only in the future of her country but of the Mideast and therefore of the world.

I was reading a little background before this evening's dinner and a statement by Ben-Gurion about our distinguished guest tonight in which he said that history will record that thanks to a Jewish woman the Jewish state came into existence. And that is an enormous compliment to one who had contributed as much as he had to the creation of and the initiation of the State of Israel.

We don't need to go into that background with this company. I will simply say that as we look at the problems today, and as we look at what our distinguished guest has accomplished through the years, we can have hope as to the future.

All of us remember that when Israel became independent, there were those who said it was impossible. All of us remember that after Israel became independent, there were those who said it was impossible that they could defend that independence surrounded as they were by implacable enemies. And now today it is said that it is impossible that there is any chance to build any kind of a stable or lasting peace in the area.

Well, our distinguished guest has played a great role, first in proving that it was not impossible that Israel could become independent, that it was not impossible that Israel would develop the strength to maintain and defend its independence, and also I certainly believe that she can and will play a great role in the future in building that peace which seems to be impossible, but which is her dream, the dream of all people in the world, in the Mideast and in all the areas around it.

I would not suggest that it is easy. I would not suggest that it will be soon or instant. But I do suggest that the kind of leadership—enlightened, courageous, and strong—that built an independent Israel, that has defended its independence, has the genius within it to contribute to the kind of peace in that troubled part of the world which will provide real security for the states involved as well as peace.

And it is this, of course, which has been the dream of the Prime Minister. It is this

goal which we have discussed and toward which we are working. And it is in that spirit that I know that all of you will tonight want to rise with me, and as you rise, I would suggest that we are proud to have her here again as she has been in this house before, four years ago, proud because she is the Prime Minister of Israel, proud because of everything she has done for her country, proud because she had her roots in our country. And may our two countries always stand together in the cause of peace and independence and freedom for all people.

To Prime Minister Meir: To the Prime Minister.

PRIME MINISTER MEIR

Mr. President, Mrs. Nixon, dear friends: Several times in my life I thought there were certain moments when one can wish for nothing else to come, and yet I have had the privilege to live quite long, but I have had things happen and goals reached and hopes and dreams come true.

I wonder, Mr. President, whether even you can realize what it means for a little tiny country, certainly in comparison with this great country of the United States, tucked away far from your people and your country, somewhere in a corner where not everybody in the world knows exactly where it is—is Israel in Jerusalem or is Jerusalem in Israel? Some people, for instance, like the United Nations, still have Palestine on the agenda.

You don't know probably what it means that this great Nation and this great people has shown so much friendship, so much consideration, so much understanding—and has come to our aid at most critical moments—what this means to our people, to the young and old.

Very often in our long history we said to ourselves, "We are alone." At moments when nobody else disproved the fact that we were alone, we drew courage from the fact that we can be alone altogether and not give up.

We had a very, very tragic history. And yet every one of us that studies our history,

the history of the Jewish people, the one thing that stands out, I believe, which made it possible for us to be what we are back in our own home, back to our sovereignty, with difficulties, with dangers, with worries, with disasters, all this is true, and a long, long history was never free of all these elements—but somehow we remained what we are.

We remained ourselves. We didn't run away from ourselves; we didn't look for easy solutions to run away from facing sometimes very dangerous situations and very difficult facts. And even since Israel was reborn, there were moments when we felt all alone.

When moments like that faced us, we faced up to it, but no people in the world really wishes to be all alone and we are not an exception.

Mr. President, I don't know whether you know what it means to Israel today when we don't have to say we are all alone, when we know that the greatest country in the world, the country that understands and practices freedom more than anywhere else in the world, a country who still remembers its forefathers that fought for one thing, for this very simple thing: to be free, to be free to believe in what they believed, to practice their faith and to believe in it, and to practice a life of difficulties and hardships and pioneering and to build for the future.

If we had the choice, if people would say to us, "Look, you can only have one friend in this world—choose," I have no doubt whom we would have chosen. Throughout the years, in these very recent years, you know very well what you and your people mean to Israel.

I have personally very many things to be thankful for in my long life. I include even the difficulties that I had to face, because I can honestly say at least one thing: I never ran away from a difficult situation. I have more courage to face our young men and women at home.

We discussed at the table the heroes, the heroes of the wives and parents of your prisoners of war, the joy that we feel, all of us in the world, that they are coming back to their families. The difficulty to sit around at home for me with a group of these young

wives—not very many, thank God, only 13 men in Egypt and in Syria—but I look at these young women with their little children, and their husbands torn away from them, brave, courageous, or when I have to face widows, orphans, mothers, and fathers who have lost their dear ones—in moments of that kind I have been able to be stronger in my ability to face these real heroes of all nations because, Mr. President, you have made it possible for us to know we are not alone.

And again, I have been privileged—I don't know why—that in the last few years I should be the messenger to bring this great message to my people, young and old, and say to my people, "We are not alone; we have a friend." This people, through the man who carries the greatest burden and highest office, through its President, made it possible for us to know in the dangerous position that we still are, that we are not alone.

For this, Mr. President, for all that you have done, for your understanding of what we are striving for, for your not doubting that what we really want is an honest and real and true and lasting peace with our neighbors, that the greatest dream that we are dreaming is to cooperate with our neighbors, to cross the borders not with tanks but with tractors, to help, together with our neighbors, to build the area that has known so much bloodshed and so much war and so much destruction, to build together with our neighbors an area where people, men and women and little children, will be happy and will live and will find all this worthwhile.

When that great day comes—I said the other night to a group of friends we have a song about peace, what will happen when peace comes, and the song has a refrain: This is not a fantasy, this is not a dream, this is true; if it won't happen today, then tomorrow; if not tomorrow, then the next day, but this is not a fantasy and not a dream.

Mr. President, when that great day comes, and I am convinced that it will come, we will always remember that in days of sorrow and difficulty and danger, we were not alone, we had a friend.

Ladies and gentlemen: To the President.

U.S. Supports U.N. Drug Control Activities and Space Cooperation

Following is a statement made by John Scali, U.S. Representative to the United Nations, upon presenting his credentials to U.N. Secretary General Kurt Waldheim on February 20.

USUN press release 13 dated February 20

Mr. Secretary General: I take very deep pleasure in my first official act as U.S. Representative to the United Nations in presenting this contribution of \$1 million to the United Nations Fund for Drug Abuse Control. The U.S. contribution to the Fund now totals \$4 million.

President Nixon has accorded highest priority in his domestic programs to the fight against drug abuse. The U.S. Government has actively sought international cooperation in this effort since drug abuse knows no national frontiers and is a present or potential threat to all countries.

We especially welcome the response of the international community in support of United Nations programs in this field. Over 20 countries and nongovernmental organizations have contributed to the Fund, and the number of contributors is steadily increasing. This widespread demonstration of support underlines the concern of many nations over the threat of drug abuse.

The United Nations Fund for Drug Abuse Control has made a good start, and we are encouraged that several major programs to control opium production and to strengthen action against illegal trafficking are either underway or in the advanced planning stages.

We appreciate the action which you have taken, Mr. Secretary General, in mobilizing the resources of the United Nations to deal with this major social evil. Through this additional contribution to the Fund, we would manifest our continued support for your efforts.

Mr. Secretary General, on behalf of my government I am also pleased to present this plaque to you for the United Nations. The inscription on the plaque reads as follows:

This image of the preamble of the Charter of the United Nations was carried to the Moon in December 1972 by the crew of Apollo 17. It symbolizes the spirit of international cooperation and brotherhood which marked man's first venture on another celestial body.

Presented to the United Nations by the United States of America.

February 1973.

I would like to note, Mr. Secretary General, how much the U.S. Government appreciates your contribution to the international cooperation in outer space affairs mentioned in the inscription during your tenure as chairman of the Outer Space Committee. My country continues to be interested in the widest possible extension of such cooperation. We demonstrated this most recently at the meeting of the U.N. Working Group on Remote Sensing of the Earth by Satellites, where the U.S. Representative offered to share data from our experimental remote sensing program with an international distribution center or centers should their establishment be decided upon.¹

¹ For a statement made before the working group on Jan. 31 by Leonard Jaffe, Deputy Associate Administrator for Applications, National Aeronautics and Space Administration, who was head of the U.S. delegation, see USUN press release 9 dated Jan. 31.

The Multinational Corporation

Following is a statement made before the Subcommittee on International Trade of the Senate Committee on Finance on February 26 by Peter M. Flanigan, Assistant to the President and Executive Director of the Council on International Economic Policy.¹

It is a privilege for me to be with you this morning to exchange views on the topic of multinational corporations. . . . I will try to give you an administration viewpoint regarding the multinational corporation and its part in the broader international economic picture. Secretary [of Commerce Frederick B.] Dent will be with you later in the week to provide more specifics and particularly the results of some recent studies of the multinational corporation by his Department.

Too often in the past we and other countries have tended to view trade, monetary, and investment problems as separate and isolated issues, each requiring its own solution. However, our experience over the last few years has clearly shown that in today's economically interdependent world no action in any one area of international economic activity is without consequence for the others.

The world's current arrangements for handling economic activities among nations lack coherence and have given rise to a great variety of inequities and incompatible policies. It is our conviction that commercial nations can no longer afford to alter just one part of the overall system without considering its effect on other parts. Our strategy must be, and is, to seek a thoroughgoing reform of the system as a whole to insure that

future arrangements are mutually reinforcing for the operation of an open and equitable international economy.

In the international economic system today we find a long list of distorting practices in the forms of tariffs, nontariff barriers, anachronistic monetary arrangements, as well as measures designed to promote or inhibit investment flows and the activities of investors abroad. All of these practices in turn have inevitable consequences for the functioning of the monetary system, the means by which countries adjust to changes in their relative international economic position and in the patterns of international trade, investment, and payments. These distortions will be the subject of the monetary and trade negotiations which we are undertaking this year.

In these negotiations, our purpose is clear. As recently stated by the President, it is to get a fair shake for American workers and American companies. We are asking our negotiating partners to work with us to reduce existing distortions and to remove inequitable rules and practices in the interest of an open and equitable international economy. We seek a world in which nations trade, invest, and deal financially with each other according to rules and procedures which are fair and applied equally to all.

The net result we seek from our international economic policy is more jobs at higher real incomes for all Americans. In this context, a subject of deep concern is the loss of jobs for American workers as a result of unfair practices by foreign competition.

In seeking to remedy glaring examples of unfair international competition, such as dumping or subsidized exports, we must be sure that we carefully analyze the real causes.

¹ The complete transcript of the hearings will be published by the committee and will be available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

We must not fall prey to the expedient of adopting an alleged cure which is in fact completely unrelated to the true problem.

The MNC's—A Statement of the Problem

Because of its large economy the United States creates substantial amounts of savings and, consequently, resources for investment. Although we do not have precise data, the U.S. share of world savings is probably somewhere between that of its 30 percent share of world GNP and its 13 percent share of world trade. In short, the U.S. economy is a major source of investment in the aggregate world economy. However, we should recognize that the bulk of this investment stays at home. The capital outflow from all U.S. direct foreign investment is only about 6 percent of U.S. private domestic business investment.

To the extent that a portion of this investment flows abroad, it is widely agreed that it stimulates employment, wages, and therefore welfare in the recipient country while at the same time maximizing the return on investment to the investor at home.

Further, it can be said that the job of business is to combine capital, labor, materials, technology, and management in the most productive way and the consumer is the beneficiary of its success in doing so—through product availability and choice, and through lower costs and thus prices.

This point of view contends that the very international mobility of capital, technology, and management and the continually reducing cost of transporting materials allows more and more beneficial combinations of the elements of production and that the multinational corporation is a main instrument for achieving these benefits.

As an analogue, consider what the economic well-being of this country would be today if at some time in history we had limited the operations of each business to one State. Only capital accumulated within a State could be used to develop its industry; technology used in the industry of a State had to have originated there; management had to be drawn from State "citizens"; economies

of interstate scale had to be forgone. Clearly we would all be living at a considerably lower level than we do now, and certainly we would not be able to carry the tremendous social expenditures we now do.

Despite these benefits attributed to direct foreign investment, the flow of capital abroad also has its critics. The direct foreign investor returns earnings to his home country, but host countries prefer foreign customers to foreign owners of their productive assets, particularly after the initial risk has been successfully surmounted by the investing firm. In addition, the owners of assets abroad are not always popular in their own country when their investments are alleged to cost domestic jobs.

Since what we have come to call multinational corporations (MNC's) are among the world's largest and best known firms, they have become the obvious targets for critics of direct foreign investment. MNC's and the direct investment activities they pursue have been viewed by some as agents for infringement upon the national sovereignty of host countries and as the means to export jobs and productive capital from the investing countries. MNC managements have at times been described as mobilizers of market and investment information who spot profit opportunities and then quickly move management and capital into them without sufficient regard to human sensitivities, economic conditions in the home or host countries, and the rights and interests of the other society.

Thus, the economic theory that lies behind the benefits ascribed to direct foreign investment is challenged as being unrealized in practice. I believe that such evidence as is available must be used to weigh the different assessments we hear of MNC's and to be sure that our policy is developed in an evenhanded way. Where the evidence suggests some net harm from the investment activities of MNC's, those activities must be promptly addressed. Where net gain is found, MNC activities should be encouraged. The art of sensible policy development will be to maintain the benefits of international investment while alleviating harmful side effects.

Background Analysis

Although this business form has been around for decades, the multinational corporation has become an increasingly visible form of business entity in recent years.

Part of this visibility can be explained by the sheer size of many of these companies. About four-fifths of the approximate \$93 billion book value of U.S. foreign direct investment is accounted for by a few hundred U.S.-based multinational firms. I might note that a 1966 OECD [Organization for Economic Cooperation and Development] study shows that the United States accounts for only 60 percent of the world's total foreign investment, with the remaining 40 percent largely from western Europe. In fact, I would expect that, relative to its size, MNC's are at least as important a part of the economic life of Switzerland as they are in the United States.

Another reason for the attention these companies have attracted arises from their dynamic character. Because the MNC has introduced so many changes in the places it operates—in the use of capital, in the introduction of new management techniques, and in the application of new technology—it has received the blame for many problems which have coincidentally appeared.

In the latter half of the 1960's, concern over the consequences of the multinational corporation grew concurrently with U.S. domestic economic problems. During that period the forces which had been eroding the traditional ability of the United States to compete internationally accelerated to such an extent that our trade surplus shrank precipitously and then disappeared. New import challenges arose from national economies which had finally overcome the destructive effects of the Second World War. American consumers responded enthusiastically to these new sources of high-quality products at competitive prices. Although exports grew an average of about 8 percent a year during the decade from 1961 to 1971, imports rose by about 12 percent a year during the same period.

The rise in foreign competition was not

the only event that aggravated our international economic difficulties. The growing costs of the Viet-Nam war were imposed on an economy already at full employment, so that the country found it could not have both "guns and butter" without unacceptable increases in the general price level. Excess demand in the overheated economy induced a dramatic surge of imports. At the same time, inflation due to that demand contributed to the overvaluation of the dollar, a condition that—as part of a vicious economic circle—made imports to the United States cheap and exports from the United States expensive, thus accelerating the rapid import growth.

Upon taking office, President Nixon established as his top priorities ending the war and restabilizing the domestic economy. The economic adjustments required by each of these efforts were substantial and during their most difficult period required coping with rising unemployment as well as lingering inflation. During that period some Americans were attracted toward a new isolationism. That period produced various protectionist proposals as expressions of frustration at the inflation-produced international imbalance rendering our products uncompetitive, of unhappiness with trading partners whose economic rejuvenation we had paid for only to find our goods excluded from their markets by artificial barriers, and of fear that we might not be able to compete abroad again even if all the barriers were dropped, because of our high wage rates. Thus studies such as one by Stanley Ruttenberg, a noted labor economist, argued for import restraints, restrictions on outflows of capital and technology, and tax penalties for the MNC's.

Fortunately, the Congress did not respond in haste to these restrictionist pressures. Instead, it gave the President's programs a chance to work. The results have been considerable; the war has been ended, and in its place we have the beginnings of a rapprochement with the major nations of the Communist world. A shaky monetary system with its overreliance upon, and over-

valuation of, the dollar has been shored up. The relationships between world currencies have been made more realistic, and a plan for complete overhaul of the system has been presented by the United States.

I have already mentioned the President's program to reform international trade through multilateral negotiations. These negotiations, scheduled at our request to begin in the fall of this year, have been endorsed by the Common Market, Canada, and Japan as well as other countries. Therefore, in this new atmosphere of progress and confidence about our future in the world economy, we can take a careful and dispassionate look at the activities of our corporations in other countries and their effects on our own country. In doing so, it is difficult to find much evidence that the MNC's as a group have damaged the U.S. economy or its workers. In fact the hard evidence gathered to date would indicate the reverse.

Effect on Domestic Employment

A principal concern relating to the MNC's is their purported effect on domestic employment. The results of a recent Department of Commerce study of 298 U.S.-based MNC's for the period 1966-70 suggest that multinationals have helped rather than hindered the growth of domestic employment. The study showed, for example, that while overall U.S. private sector employment grew 1.8 percent a year during this period, domestic employment attributed to MNC's grew by 2.7 percent a year. The new Tariff Commission study called for by this committee makes some comparative estimates of domestic employment impact of the multinationals on various sets of assumptions. On a realistic set of assumptions about the share of the world market which U.S. exporters would capture if there were no foreign subsidiaries of U.S. companies, the Tariff Commission found that MNC's create a net gain in U.S. employment of about one-half million jobs. The study indicates that only on unrealistic assumptions can one conclude that MNC operations cause a reduction in total U.S. employment.

In considering the impact of multinationals on employment in the United States, it is important to note the following facts that are sometimes ignored:

First, regarding exports and jobs created by exports, MNC's do not reduce exports, but rather increase both exports and jobs. As evidence of this point, one or two statistics are interesting. The 1966 Commerce study indicated that 25 percent of total U.S. exports were associated with U.S. MNC investment. The more recent 1970 Commerce survey of 298 U.S. MNC's values their exports at \$21 billion, or about 50 percent of the U.S. total.

Second, regarding imports, U.S. import competition mostly comes not from U.S. multinational corporations but from foreign-owned companies. This is especially true in the cases of textiles, steel, and automobiles. Indeed, the top three U.S. importers by value are Volkswagen, Datsun, and Toyota. I think you'll agree we can't call them American MNC's. Indeed, the 1970 Commerce Department survey indicates that about 70 percent of the output of foreign subsidiaries of U.S. companies is sold in the country where it is produced and an additional 23 percent is exported to third countries. Only 7 percent of the MNC production returns as imports to the United States to compete at home with domestic production. If you take out the effect of the auto agreement with Canada, only about 5 percent of the foreign output of MNC's is imported into the United States.

Third, in most of the few cases where the United States and third countries are supplied by American affiliates abroad, such as the consumer electronic industry, elimination of these plants would not result in increased U.S. output and employment, but in replacement of our output by foreign competitors. Such replacement would probably reduce U.S. employment further, since foreign competitors would be less likely to rely on the United States for machinery supplies, research, or marketing requirements, or to maintain U.S. facilities for assembly or the base for possible domestic future production should technology change or foreign wage rates increase.

In those limited cases where low-wage imports do displace American workers we should not attempt to solve this problem by means of wide-ranging import restraints. Such a program would greatly reduce the potential of LDC's [less developed countries] for development, a potential which is important to world political stability and would force all of our consumers, who are also workers, to pay artificially high prices for the products whose importation has been stopped. Instead, we need, first and foremost, policies and programs which will keep the economy healthy enough to provide jobs for American workers. In addition, we need the authority to prevent a flood of imports from inundating any single industry in a short time. To protect against this, the President, in the trade bill, will request the authority for safeguards to avoid short-term market disruption while economic adjustment to imports takes place.

Fourth, notwithstanding much rhetoric to the contrary, the evidence indicates that businesses do not normally move abroad to take advantage of low-cost labor. Sixty percent of U.S. direct investments abroad in 1970 were in Canada and west Europe, not countries with notably low wage rates.

With few exceptions, U.S. labor has proven itself to be fully worth what it is paid. The very fact that so few industries have been forced to move abroad to meet the competition of cheap foreign labor indicates that the productivity of American workers substantially overcomes the effect of labor rate differentials.

There is one problem, however, in the area of employment which deserves our special attention. There are some plants which have moved or been established outside the United States to take advantage of low-cost labor for the manufacturing of products which are intended to be exported to the United States. We understand that in many cases these actions are forced by competitive circumstances. But we are also aware that in some cases these actions are induced rather than forced, that plants are being lured into nearby countries with tax and other conces-

sions. We have already taken action on a similar problem in the recent Michelin Tire case in Canada. There Canada had induced, through government subsidy, the Michelin Tire Company to build a plant in an economically depressed area. This plant was designed to export most of its output to the United States. While we don't begrudge our Canadian friends the right to relocate jobs from Toronto in order to encourage economic development in less developed areas of Canada, we do believe it is a matter of proper concern for us if the result is to move jobs out of Akron. In the Michelin case, a countervailing duty has been levied on imports from that plant. I can assure this committee we intend to use the tools we have to deal with this type of situation.

Balance of Payments Effects

Another area of controversy surrounding the MNC's concerns their role in the rapid erosion of the U.S. balance of payments. Critics note the coincidence of the rise of the MNC and the deterioration of the U.S. balance of payments. However, the evidence appears conclusive that the MNC's exert a highly positive influence on our trade and payments balance.

For example, the recent Commerce Department survey shows that in 1970 the MNC's produced a trade surplus of \$7.6 billion as against a non-MNC deficit of \$5.7 billion. This showing represented an improvement in the MNC trade surplus by \$2.3 billion over 1966 figures as against a deterioration of \$4 billion for the non-MNC's over the same period.

It is often charged that export of capital is a major contributor to the balance of payments difficulties of our country. The facts indicate that net private capital flows in 1972 will contribute less than \$2 billion to our 1972 deficit. Regarding MNC's specifically, their annual investment income is far greater than their annual capital exports; in 1971 the profits remitted to U.S. parent corporations as well as large patent and trademark royalties totaled about \$10 billion, twice their capital outflow in that year.

Technology Transfer

MNC's are also accused of transferring U.S. technology to foreign countries. The United States has, with justification, prided itself for Yankee know-how and ingenuity. Our economy remains the most productive and efficient in the world. The United States earns its higher wage rates by more capital per worker and greater output per man-hour than any other country, and its achievements in high-technology products, such as computers and aircraft, need no recounting to this committee.

Despite our past accomplishments and current strength in science and its application to new products and production, it is now argued that the United States is giving away or transferring its technological leadership to foreign countries through the MNC's. Critics hold that too much know-how moves abroad because of MNC production. They argue that the licensing of U.S. products and processes to foreign firms costs U.S. jobs and, because of increased imports back to the United States, is harmful to our trade account.

I would suspect that technology moves through so many channels that it is simply impossible to obtain comprehensive data on the methods, magnitude, or consequences of technology transfer.

Much knowledge moves through personal contact among scientists and engineers, through technical meetings, publications, and other informal channels. Thus licensing is only one way of transferring know-how; and it is probably far less important than transfers of American management ability, which would continue to occur even if these managers were forced to use foreign research and development.

Pure and applied science cannot be readily constrained, and any system of "official reviews" would prove not only an administrative nightmare but would also be ineffective as anything more than a temporary obstruction to a transfer. Such a system would also substantially reduce U.S. royalty income without any compensating benefit.

It is important to note that if U.S. patents

are not filed abroad or are not exercised in foreign production, many nations allow royalty-free exercise of the rights. Thus, statutory restraint on use of U.S. know-how in foreign production would lead foreign competition to take those markets which should have been captured by U.S. firms. Clearly we cannot permit this harmful result.

Perhaps the most important fact to note on this subject is the two-way flow of technology. Radar, penicillin, the Wankel engine—to name a few—illustrate gains for the United States from the importation and use of foreign technology. To ask that technology transfer be restricted in the hope of securing some special advantage to the U.S. economy would invite similar self-defeating restrictions on technology exports to the United States.

Problems of the Host Countries

This committee needs no reminding that whatever questions have been raised domestically about the social and economic consequences of MNC's, governments abroad have also become far more concerned about these companies. Beyond the major seizures of U.S. property, such as the Anaconda and Kennecott expropriations in Chile, recent months have seen a spread of lesser controls over foreign investment, including the screening procedures currently under consideration by several governments of Europe and Asia and already adopted by others, including Canada.

Host governments in general grasp the benefits that accompany the transfer of new capital, improved technology, and managerial skills. Nevertheless, the message is clear; MNC's are now less popular or unpopular not only among less developed countries but among some of our most prosperous trading partners.

Among the causes of host country antipathy is a fear on the part of many governments that some activities of MNC's are inconsistent with their national goals. In some cases, these countries look upon large MNC's as a challenge to their sovereignty. One example would be a decision by an MNC

to close a facility and transfer production for economic reasons without what the host government considers adequate concern for the social consequences. The fact that many of the largest of these firms are U.S. owned and operated does not diminish the fear of so-called "economic imperialism." Occasional extraterritorial application of U.S. antitrust or export control laws has increased this apprehension. The catalogue of concerns also includes the fear that foreign control of key industries may hinder military and diplomatic policy. Some even charge that external control may perpetuate the so-called "technological gap" by freezing some nations into production and even educational patterns determined elsewhere. It is ironic that these charges are levied at the same time that domestic critics of MNC's allege that the United States is giving away our latest technology for an inadequate return, and when the United States is educating in our institutions of higher learning the largest number of foreign engineers, scientists, doctors, and technicians in our history.

We of course believe the proper role for the MNC's is to be good citizens in the countries in which they operate. This implies the duty to conduct operations within the constraints of good citizenship, plus the responsibility to accept all the obligations of citizenship. If they are, I believe that no country will voluntarily choose to rely solely on its own investment resources for long. Even countries which are ideologically antagonistic to private investment will welcome foreign investment on reasonable terms after having been given sufficient time and experience to evaluate the alternative for themselves and establish their own trade-off of autonomy versus prosperity. Recent experience with increasing receptiveness to private investment in eastern European countries, evidenced by their interest in exploring new investment possibilities with Western entrepreneurs, confirms this analysis.

Certainly the United States plans no barrier to the expansion of the \$13.7 billion of foreign direct investment in this country. We welcome it; we hope it will increase. I

am sure we all favor the jobs created by Shell, Lever Brothers, and Nestle, all of which are MNC's based abroad.

My testimony would not be complete without a brief discussion of some of the alternative international economic proposals to be considered by this committee. Some of the proposals would seek to roll back imports through quotas, bar the outflow of U.S. technology and capital, and heavily increase the taxes of U.S. multinational corporations. As I have stated earlier, the administration is very sympathetic to a number of the concerns provoking these proposals.

However, our experience indicates that balance of payments problems cannot be cured by reducing imports. Such attempts only invite retaliation against our exports, limit consumer choice, and increase prices for every American. Instead of import quotas we need policies which will increase exports.

In its forthcoming trade proposals the administration will propose safeguards against the disruption of particular markets and production due to rapid changes in foreign trade. These safeguards will provide the opportunity to adjust over time to specific problems in specific industries and will not entail gross costs to the entire economy nor invite retaliation.

The Treasury Department is in the process of studying the effects of our taxation of income earned abroad, but no administration position on this matter has been reached. Therefore I am not in a position to discuss today questions relating to taxes on foreign income.

At home we remain committed to reducing inflation. For the international economy this means increased competitiveness for our exports. We remain committed to fiscal responsibility in our efforts to hold down costs and prices and to raise productivity in the private sector. Combined with a more effective means of establishing currency parities and payments equilibrium, we seek an international economy more responsive to market forces, providing a better living standard for all Americans and indeed for all the peoples of the world.

Talks To Be Held With Chile on Debt Rescheduling

Following is a statement by John Hugh Crimmins, Acting Assistant Secretary for Inter-American Affairs, made before the Subcommittee on Latin American Affairs of the House Committee on Foreign Affairs on March 6.¹

Press release 60 dated March 6

Since Assistant Secretary Meyer last appeared before this subcommittee in October 1971 to review the status of our bilateral relations with Chile, a number of important developments have occurred which I will briefly review for you today.

On November 12, 1971, the Allende government unilaterally declared a moratorium on foreign debt obligations contracted by preceding governments. These debts, to both public and private creditors, totaled approximately \$3 billion. Of this amount, \$864 million is owed to U.S. Government agencies, and approximately \$493 million is owed to private American creditors.

Chile's principal creditors, including the United States, met in Paris during the period January-April 1972 to consider the GOC's [Government of Chile] request for debt rescheduling. At the Paris Club, the U.S. delegation voiced its concern over Chile's failure to pay prompt and adequate compensation for the expropriated properties of private American firms contrary to accepted norms of legal procedure and international law. We related Chile's nationalization policies to its sharply reduced creditworthiness and thus its balance of payments difficulties.

The Paris Club agreement of April 19, 1972, established the general terms for rescheduling Chile's external debt payments falling due in the period November 1971 through December 1972. The Paris Club incorporated under article 4 of the agreement commitments by Chile on the payment of

compensation and contracted debt. These provisions are consistent with strongly expressed U.S. views on the issue. By signing the agreement, the GOC undertook under article 4 to recognize and to repay all of its external public debt, whether owed to governments or private corporations, and in cases of nationalization, to grant just compensation in accordance with Chilean legislation and international law. It also undertook to engage in bilateral negotiations to resolve pending compensation and debt issues.

The 1972 Paris Club agreement left to the creditor nations the negotiation of bilateral rescheduling agreements with Chile. U.S.-Chilean bilateral debt rescheduling discussions began in June 1972. Substantial progress has been made on most of the issues involved, but an agreement has not yet been concluded.

Meanwhile, prospects for reaching a satisfactory resolution of the compensation issue received a major setback when the Chilean Copper Tribunal, which was created specifically to review the compensation dispute, ruled on August 11, 1972, that it could not review President Allende's executive determination on so-called "excess profits." You may recall that the former owners of three of the largest copper mines were retroactively penalized \$774 million in alleged "excess profits" while the book value of these properties was declared by the Chilean Comptroller General to total only \$629 million, of which \$243 million in additional deductions claimed by the GOC are still being reviewed by the Copper Tribunal. Thus the Tribunal's decision on "excess profits" effectively ruled out any possibility for a judicial finding that would result in any compensation for the three largest expropriated mines.

Seeking the implementation of article 4 of the Paris Club agreement, we initiated in September an exchange of notes with the GOC which resulted in wide-ranging bilateral talks in Washington on December 20-22, 1972. Although no substantive progress was made on the compensation issue, both sides aired their views and agreed to meet again following the next Paris Club round on Chile's 1973 debt payments.

¹ The complete transcript of the hearings will be published by the committee and will be available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

On January 25-26, 1973, the Paris Club met and called on the IMF [International Monetary Fund] to develop additional data on Chile's deteriorating balance of payments situation before convening a more substantive meeting in May. Following up on our bilateral talks with Chile on the compensation issue, we agreed to meet again in Washington on March 22-23. We expect to continue our efforts in these talks to find a mutually acceptable solution without jeopardizing our national interest or the basic principles of international law to which we adhere.

Our policies toward Chile are formulated on the basic guidelines set down by President Nixon. That is, we respect the hemisphere principle of nonintervention, and we will shape our relations with governments according to their policies and actions as they affect our interests and the interests of the inter-American system and not according to their domestic structures.

In conclusion, I would say that we have pursued, under difficult circumstances, every reasonable opportunity to enhance the possibility of an acceptable settlement of our differences with Chile. We have given and we expect to be afforded full respect for the legitimate rights of all interested parties. We shall continue that policy.

Department Reviews Situation in Rhodesia and Zambia

*Statement by David D. Newsom
Assistant Secretary for African Affairs¹*

It is my understanding that the normal concern of your committees with the situation in Rhodesia has been heightened by the recent events relating to the Rhodesian-Zambian frontier. Let me begin by reviewing briefly these events.

On January 9 the Rhodesian regime closed the border with Zambia following a series of attacks on white Rhodesians in the northern part of that territory, attacks attributed

to Rhodesian nationalist movements based in Zambia. Rhodesia made an exception for the transit of Zambian copper, but Zambia on January 11 announced that it in turn would ship no more copper through Rhodesia.

The action by Rhodesia was apparently not expected by either South Africa or Portugal, and these two nations continued to facilitate the transit of goods to and from Zambia. The matter was brought before the United Nations Security Council, and on February 2 resolutions were passed which resulted in the sending of a United Nations mission to Zambia with a team of experts to study economic requirements. The United States supported the economic aid study of this mission. That mission is now returning from Zambia and will report by March 1 how the international community can assist Zambia in meeting the effects of a longer term border closure.

In this connection, Mr. Chairmen, recent press reports stating that we had turned down Zambian requests for governmental assistance in the present emergency are in error. Beyond indicating the availability of Export-Import Bank financing to Zambia, no decision has as yet been made on a series of needs which Zambia has discussed with us and with other donors.

You will recall that we have not been providing A.I.D. assistance to Zambia in recent years in the absence of requests from the Zambian Government for such assistance. Requests recently received have come from various officials within the Zambian Government and require some establishment of priorities by them. The present United Nations mission to Zambia will, we hope, be helpful in this respect. Any positive decision would need to be taken with due consideration of the current uncertainty regarding assistance and the availability of assistance funds. It is premature at this point to specu-

¹ Made before a joint session of the Subcommittees on Africa and on International Organizations and Movements of the House Committee on Foreign Affairs on Feb. 21. The complete transcript of the hearings will be published by the committee and will be available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

late on what we may be able to do in the present situation. I repeat that no decision has been made.

On February 3 Rhodesia reopened its side of the border. Mr. Smith [Ian D. Smith, Prime Minister of Southern Rhodesia] announced that he had had assurances from Zambia that it would curtail its support of the Rhodesian nationalist guerrillas. Denying any such pledge, President Kaunda [Kenneth D. Kaunda, President of Zambia] subsequently announced that he would keep the border closed.

The incident has worked hardship on both sides. For Rhodesia it has meant a further drying up of sources of foreign exchange, already seriously affected by the United Nations sanction. For Zambia it has meant the necessity to change the routing for 65 percent of all imports and for almost 50 percent of its copper exports.

More fundamentally, however, the incident points up the risks inherent for all in the continued lack of a solution to the Rhodesian problem. The United States does not condone the use of violence by any side in these complex problems of southern Africa. At the same time it understands that violent acts are very likely to occur out of the frustration of unresolved problems. Leaders on both sides are limited by political and geographic restraints in their ability to control acts of violence or groups who seek through violence to bring political change.

The issue of Rhodesia remains a simple one. How can the political structure and the society of Rhodesia be adapted to insure a proper and internationally acceptable political, social, and economic role for the 95 percent of Rhodesia's population which is black African?

It has been more than seven years since the white minority in the British Colony of Southern Rhodesia unilaterally declared the independence of the territory. That independence remains unrecognized internationally and almost universally challenged. The African majority remains without effective political power. The U.S. Government has long shared world concern over the potential

for violence resulting from failure to resolve the Rhodesian issue. We support United Nations and British efforts to achieve self-determination and justice for all the people of Rhodesia.

The United States continues to regard the British Crown as the lawful sovereign authority with responsibility for the resolution of the Rhodesian problem. We support the United Kingdom and the United Nations in their peaceful efforts to influence the Smith regime to accept the principle of eventual majority rule. We see the U.N. sanctions program as an alternative to violent solutions, and in consequence, we have enforced sanctions as vigorously as any nation. We intend to adhere as strictly to sanctions as is in our power to do so.

This policy has not been universally accepted in the United States. Many who opposed sanctions in principle, as well as those concerned with our sources of strategic goods, advocated passage of legislation permitting the importation of certain materials from Rhodesia. Although the Department opposed this legislation and supported efforts to repeal it, the law remains in force.

As a result, the United States is the subject of sharp and persistent criticism in African and international forums for these violations of the U.N. embargo. The criticisms in Africa are sharpest in some of the most significant nations, such as Nigeria, where our interests by any yardstick are far greater than those in Rhodesia. Criticisms of the United States unfortunately fail to put our exceptions to the sanctions in proper perspective. Imports into the United States represent less than 5 percent of total Rhodesian export earnings; the more extensive violations by the nationals of other countries importing the remaining 95 percent are often overlooked.

Nevertheless, the sanctions program has had visible effects on the Rhodesian economy and has created considerable difficulties for its leaders. In our view this was a significant factor in the regime's decision in the fall of 1971 to negotiate with the British. The proposals agreed to by Smith and British For-

eign Minister Douglas-Home were not found acceptable to the Rhodesian people by the subsequent Pearce Commission, but we understand that the two remain in contact. We would hope that a comparable recognition of the need for a fair solution would also exist within Rhodesia and would encourage the white minority toward meaningful dialogue with its own African population and toward an equitable settlement with Britain.

The U.S. Government intends to continue the policy of enforcing sanctions under our present laws and of recognizing British sovereignty over Rhodesia. We hope a peaceful solution will be forthcoming.

Convention on Ocean Dumping Transmitted to the Senate

Message From President Nixon¹

To the Senate of the United States:

I transmit herewith, for the advice and consent of the Senate to ratification, the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter, opened for signature at Washington, London, Mexico City and Moscow on December 29, 1972. The report of the Department of State is enclosed for the information of the Senate.

This Convention is designed to establish in each country which is a party to this Convention, a national system for regulating the ocean disposal of wastes comparable to the system for this country provided by Title I of Public Law 92-532 enacted October 23, 1972, the Marine Protection, Research, and Sanctuaries Act of 1972.

International concern for the protection and effective management of our oceans has been growing in recent years. We expect this Convention to come into force in a relatively short period of time and to provide a significant and successful step in the international

control of marine pollution. I recommend that the Senate give prompt consideration to this Convention and consent to its ratification.

RICHARD NIXON.

THE WHITE HOUSE, February 28, 1973.

UNITED NATIONS

ICAO To Investigate Downing of Libyan Airliner Over Sinai

The 19th session (extraordinary) of the Assembly of the International Civil Aviation Organization (ICAO) was held at U.N. Headquarters February 27-March 3. Following are statements made before the Assembly on February 28 by Betty C. Dillon, chairman of the U.S. delegation, together with the text of a resolution adopted by the Assembly that day.

STATEMENTS BY MRS. DILLON

USUN press release 14 (Corr. 1) dated February 28

First Statement

My government wishes again to express its sorrow and distress at the downing of the Libyan civilian airliner by Israeli military aircraft over the Sinai peninsula. We respect the feelings of those who lost dear ones in this crash or whose compatriots died. An American citizen was one of the victims.

We believe, however, there is a risk of the second preambular paragraph being regarded as inconsistent with the impartial investigation we all desire. We wish to propose an

¹ Transmitted on Feb. 28 (White House press release); also printed as S. Ex. C, 93d Cong., 1st sess., which includes the report of the Department of State and the text of the convention. For text of the convention, see BULLETIN of Dec. 18, 1972, p. 711.

amendment which we believe avoids this risk while not diminishing the clarity with which this Organization expresses itself on the tragic events which have taken place and which we all deplore.

We therefore propose that the second paragraph be amended to read as follows:

"Deploring the action which resulted in the loss of 106 innocent lives,"

We suggest that the cosponsors consider this possible improvement in the text of the proposal.

Second Statement

The United States is opposed to the condemnatory language of the second preambular paragraph, which is inconsistent with the operative paragraphs in the resolution which call for investigation, which is the proper role and proper business of ICAO.

In voting for this resolution, the United States wishes to make clear that we do not interpret it as prejudging the outcome of such an investigation.

We nevertheless reluctantly voted for the resolution as a whole because we wish to join with others in calling for an investigation of this tragic incident and because of our concern for the safety of aviation around the world.

TEXT OF RESOLUTION¹

The Assembly,

Having considered the item concerning the Libyan civil aircraft shot down on 21 February 1973 by Israeli fighters over the occupied Egyptian territory of Sinai,

Condemning the Israeli action which resulted in the loss of 106 innocent lives,

Convinced that this action affects and jeopardizes the safety of international civil aviation and therefore emphasizing the urgency of undertaking an immediate investigation of the said action,

1. *Directs* the Council to instruct the Secretary-General to institute an investigation in order to undertake fact findings and to report to the Council at the earliest date;

2. *Calls upon* all parties involved to co-operate fully in the investigation.

¹ Adopted by the ICAO Assembly on Feb. 28 by a rollcall vote of 105 (U.S.) to 1 (Israel), with 2 abstentions (Colombia, Malawi).

TREATY INFORMATION

United States and Hungary Sign Agreement on Claims

Press release 59 dated March 6

An agreement between the United States and Hungary regarding the settlement of claims was signed on March 6 at Washington by Secretary Rogers and Deputy Prime Minister Péter Vályi. This agreement covers claims of U.S. nationals against the Government of Hungary for war damage; the nationalization, expropriation, or other taking of property; and dollar obligations arising out of certain contractual relations and other rights. It is aimed at advancing the economic relations between the two governments.

This agreement was the direct result of conversations held by the Secretary with the Deputy Prime Minister during the Secretary's visit to Budapest in July 1972. It marks the most important step taken by the two governments to seek normalization of relations between the two countries and presages a period of greater cooperation in the future.

The agreement provides for the payment of \$18.9 million by the Hungarian Government to the Government of the United States. In addition, Hungary has agreed to relinquish claims of \$3,318,614 on vested Hungarian assets in the United States. Therefore total Hungarian payments on U.S. claims will amount to \$22,218,614. The United States will release its controls over all Hungarian accounts in the United States within 30 days after the entry into force of the agreement.

The lump sum is to be paid in 20 equal annual installments of \$945,000. However, if 6 percent of the dollar proceeds of imports into the United States from Hungary shall exceed \$945,000 in any calendar year, the Hungarian Government shall additionally pay the excess amount, which shall be credited to the last payment or payments.

The Hungarian Government confirms its

intention to settle outstanding dollar bonds by direct talks with American bondholders or their representatives.

Finally, taking note of the favorable conditions which exist for the development of trade and economic relations between the United States and Hungary, the U.S. Government agrees to seek authority from the U.S. Congress to accord most-favored-nation treatment to products originating in Hungary. If such authority is granted, the extension of most-favored-nation treatment will be the subject of separate negotiations.

Current Actions

MULTILATERAL

Atomic Energy

Amendment of article VI of the statute of the International Atomic Energy Agency of October 26, 1956, as amended (TIAS 3873, 5284). Done at Vienna September 28, 1970.¹

Acceptances deposited: India, March 7, 1973; Ivory Coast, March 2, 1973.

Aviation

Convention on international civil aviation. Done at Chicago December 7, 1944. Entered into force April 4, 1947. TIAS 1591.

Adherence deposited: Fiji, March 5, 1973.

Convention for the suppression of unlawful acts against the safety of civil aviation. Done at Montreal September 23, 1971. Entered into force January 26, 1973. TIAS 7570.

Ratification deposited: Fiji, March 5, 1973.

Conservation

Convention on international trade in endangered species of wild fauna and flora, with appendixes. Done at Washington March 3, 1973.¹

Signatures: Israel, March 5, 1973; Morocco, March 9, 1973; Niger, March 5, 1973; Togo, March 7, 1973.

Consular Relations

Vienna convention on consular relations. Done at Vienna April 24, 1963. Entered into force March 19, 1967; for the United States December 24, 1969. TIAS 6820.

Accession deposited: El Salvador, January 19, 1973.

Cultural Property

Convention on the means of prohibiting and preventing the illicit import, export and transfer of

ownership of cultural property. Adopted at Paris November 14, 1970. Entered into force April 24, 1972.²

Ratification deposited: Argentina, January 11, 1973.

Diplomatic Relations

Vienna convention on diplomatic relations. Done at Vienna April 18, 1961. Entered into force April 24, 1964; for the United States December 13, 1972. TIAS 7502.

Notification of succession: Tonga, January 31, 1973.

Narcotic Drugs

Protocol amending the single convention on narcotic drugs, 1961. Done at Geneva March 25, 1972.¹

Ratification deposited: Finland, January 12, 1973.

Nuclear Weapons—Nonproliferation

Treaty on the nonproliferation of nuclear weapons. Done at Washington, London, and Moscow July 1, 1968. Entered into force March 5, 1970. TIAS 6839.

Ratifications deposited: Ivory Coast, Nicaragua, March 6, 1973.

Ocean Dumping

Convention on the prevention of marine pollution by dumping of wastes and other matter, with annexes. Done at London, Mexico City, Moscow, and Washington December 29, 1972.¹

Signatures: Kuwait, March 8, 1973; Tunisia, March 5, 1973.

Space

Convention on international liability for damage caused by space objects. Done at Washington, London, and Moscow March 29, 1972. Entered into force September 1, 1972.²

Ratification deposited: Brazil, March 9, 1973.

Trade

Protocol for the accession of the People's Republic of Bangladesh to the General Agreement on Tariffs and Trade, with annex. Done at Geneva November 7, 1972. Entered into force December 16, 1972. TIAS 7552.

Acceptances deposited: Denmark, January 12, 1973; France, February 15, 1973; India, February 1, 1973; Sri Lanka, January 4, 1973.

Viet-Nam

Act of the International Conference on Viet-Nam. Done at Paris March 2, 1973. Entered into force March 2, 1973.

Signatures: United States, France, Provisional Revolutionary Government of the Republic of South Viet-Nam, Hungary, Indonesia, Poland, Democratic Republic of Viet-Nam, United Kingdom, Republic of Viet-Nam, Union of Soviet Socialist Republics, Canada, and People's Republic of China, March 2, 1973.

¹ Not in force.

² Not in force for the United States.

Canada

Agreement for promotion of safety on the Great Lakes by means of radio, 1973, with technical regulations. Signed at Ottawa February 26, 1973. Enters into force one year after the date on which instruments of ratification are exchanged.

Honduras

Agreement confirming the cooperative agreement between the Honduran Ministry of Natural Resources and the U.S. Department of Agriculture for the prevention of foot-and-mouth disease and rinderpest in Honduras. Effected by exchange of notes at Tegucigalpa November 17 and December 20, 1972. Entered into force December 20, 1972.

Hungary

Agreement regarding the settlement of claims, with exchanges of letters and negotiating records. Signed at Washington March 6, 1973. Entered into force March 6, 1973.

Turkey

Agreement relating to the termination of the loan of certain vessels to Turkey. Effected by exchange of notes at Ankara February 15, 1973. Entered into force February 15, 1973.

United Kingdom

Agreement relating to the lease of certain land on the Island of Anegada in the British Virgin Islands for use as a drone launching facility. Effected by exchange of notes at Washington February 1, 1973. Entered into force February 1, 1973.

Correction

The editor of the BULLETIN wishes to call attention to the following error which appears in the article entitled "United States and Cuba Reach Agreement on Hijacking" in the March 5 issue:

p. 261, col. 1: Line 16 should read "craft or vessel itself with all goods carried".

Check List of Department of State

Press Releases: March 5-11

Press releases may be obtained from the Office of Press Relations, Department of State, Washington, D.C. 20520.

Releases issued prior to March 5 which appear in this issue of the BULLETIN are Nos. 51 of March 1 and 52 of March 2.

No.	Date	Subject
*53	3/5	List of civilian prisoners of war captured in South Viet-Nam and released Mar. 5.
54	3/5	Rogers: news conference, Paris, Mar. 2.
55	3/5	Act of the International Conference on Viet-Nam, Mar. 2.
*56	3/5	Meeting of Advisory Committee on International Intellectual Property panel, Mar. 14.
*57	3/5	Meeting of Subcommittee on Code of Conduct for Liner Conferences of the Shipping Coordinating Committee, Mar. 13.
*58	3/5	Porter sworn in as Under Secretary for Political Affairs (biographic data).
59	3/6	U.S.-Hungary claims agreement.
60	3/6	Crimmins: House Subcommittee on Latin American Affairs.
*61	3/6	Casey sworn in as Under Secretary for Economic Affairs (biographic data).
*62	3/7	Meeting of study group of the U.S. National Committee for the International Radio Consultative Committee, Mar. 21.
*63	3/7	National Foreign Policy Conference for Editors and Broadcasters, Mar. 29.
*64	3/7	Helms sworn in as Ambassador to Iran (biographic data).
†65	3/7	U.S. members of Board of Governors, U.S.-Israel Binational Science Foundation.
*66	3/7	Regional Foreign Policy Conference, Grand Rapids, Mich., Mar. 21.
*67	3/7	Meeting of Shipping Coordinating Committee, Mar. 19.

* Not printed.

† Held for a later issue of the BULLETIN.

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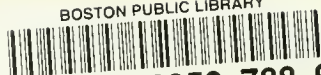
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